

Annual Report Summary 2018/19

and future plans



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Welcome from our Group Chairman and Group Chief Executive

We are very proud to introduce this summary annual report for 2018/19, and to share with you the achievements of our first full year in operation. Manchester University NHS Foundation Trust (MFT) was launched on 1st October 2017, bringing together nine hospitals plus community services and providing a once in a lifetime opportunity to deliver even better services for the people of Manchester, Trafford and beyond.

The overriding reason for the merger was to make sure every person using our hospitals and community services receives the same excellent experience and quality of care, no matter where they live or where they access care.

Over the past 12 months, we have seen many examples of staff working together to improve standards of care for patients and their families. Examples of significant improvements range from lithotripsy (to remove kidney stones) and urgent gynaecology services to the better management of patients suffering a fractured neck of femur (broken hip).

Across MFT, staff have been working really hard to develop single services that build on the strengths of our predecessor organisations. Behind the scenes significant work has also taken place to consolidate the systems, policies and processes that support the day-to-day operation of such a major organisation.

We are also looking forward to welcoming North Manchester General Hospital to MFT as the final element of delivering a Single Hospital Service for the people of Manchester. The Board aims to complete the transaction in the second half of 2019/20 subject to due diligence, agreement of financial plans and approval of business cases.

All this activity has taken place against a challenging backdrop. Like other NHS Trusts, we face increasing demand on our services, workforce challenges and financial pressures. Despite this, our staff have continued to deliver outstanding care whilst also developing single services and delivering service transformation. We would like to thank them for their outstanding efforts and support in establishing MFT, and for their enthusiasm and commitment to maintaining and improving services for our patients.

We were delighted to receive our CQC ratings for MFT in March. The inspection was carried out within the first 12 months of our merger and was the largest comprehensive inspection ever carried out in the NHS by the CQC. The CQC's assessment is that MFT is a Good organisation with a significant number of Outstanding features. In particular:

- Manchester Royal Eye Hospital and the University Dental Hospital of Manchester were rated Outstanding.
- Critical Care and Child and Adolescent Mental Health Services were rated Outstanding.
- There were 24 individual indicators rated Outstanding for individual key lines of enquiry across the Group.

In 2018, we also had the privilege of celebrating the 70th anniversary of the NHS, which was inaugurated at Trafford General Hospital on 5th July 1948. Our staff, patients, members, volunteers, fundraisers, partner organisations and many others shared their memories, gratitude and pride in the NHS. It was a truly memorable day, and showed that the founding principles of the NHS remain firmly at the heart of what we do.

Building on this tremendous legacy, we look forward to continuing the development of MFT over coming months and years. We are excited about the potential for us to reduce variation in care so that all patients can get the same standard of service no matter where they are in MFT. Together we can achieve an international reputation and exceed all expectations across patient care, education and training, and research and innovation for the benefit of our patients.



Kathy Cowell

Kathy Cowell OBE DL
Group Chairman



Sir Michael Deegan

Sir Michael Deegan CBE
Group Chief Executive

Highlights of the year



Specialist sight-saving NHS eye care was brought to the high street by **Manchester Royal Eye Hospital** in May 2018.

A team at **Trafford Hospital** is transforming the way shoulder surgery patients receive physiotherapy, by using a series of personalised computer video games to help patients exercise and track their recovery progress at home.



The MFT Charity launched its £4m iMRI Scanner Appeal in June to revolutionise brain surgery at **Royal Manchester Children's Hospital**.



A ground-breaking partnership between academia, industry and the NHS working with global diagnostics firm **QIAGEN** was announced. The joint project, based at our Oxford Road Campus, will create and support up to 1,500 jobs – adding almost £150m to Manchester's economy over a decade.



We celebrated the NHS 70th anniversary on 5th July 2018 with events across MFT.



One of the Manchester 'Bee in the City' sculptures arrived at **Manchester Royal Eye Hospital** in October 2018.



Claire Stevens, Consultant in Paediatric Dentistry at the **University Dental Hospital of Manchester**, was awarded a CBE in the Queen's New Year's Honours List in recognition of her commitment to improving children's oral health nationally.



Trials of a new digitally-enhanced service for people with heart failure were announced in January 2019, with Dr Dr Fozia Ahmed, Consultant Cardiologist at **Manchester Royal Infirmary** as clinical lead for the project.

In November 2018, MFT was named as one of a very small number of centres in the UK to offer a revolutionary new cancer treatment (CAR-T), widely regarded as the most exciting cancer treatment development in decades. The treatment will be delivered at **Royal Manchester Children's Hospital** and **Manchester Royal Infirmary**.



Clinicians at **Wythenshawe Hospital** took part in the launch of a new initiative to help improve early diagnosis for lung cancer and other respiratory conditions across North and East Manchester.



The annual MFT Excellence Awards in March 2019, recognised individual staff and teams who go above and beyond to make sure our patients and their families receive outstanding care.

Our **Saint Mary's** midwifery team were shortlisted for Midwifery Service of the Year in the prestigious Royal College of Midwives Awards.












About us

Manchester University NHS Foundation Trust (MFT) is one of the largest acute Trusts in England, employing over 20,000 staff and with an income of over £1.7 billion a year. We provide community and secondary care services to around 750,000 people in Manchester and Trafford, and specialist services to patients from Greater Manchester (GM), the North West and the rest of the UK.

MFT was created to address a number of health inequalities in our region and provide much better, safer, more consistent hospital care that's fit for

the future to benefit people living in the City of Manchester, Trafford and beyond.

Our Trust comprises nine hospitals plus community services and operates as a 'group'. The expected addition of North Manchester General Hospital to the group within the next 12 months will make MFT the sole provider of hospital services in the city of Manchester. (You can read more about the individual hospitals and community services in the full Annual Report for 2018/19, on pages 188-245).

<p>Manchester Royal Infirmary</p> <p><i>Secondary and tertiary services</i></p> 	<p>Manchester Royal Eye Hospital</p> <p><i>Specialist eye hospital</i></p> 	<p>Saint Mary's Hospital</p> <p><i>Specialist women's hospital and genomics</i></p> 	<p>Royal Manchester Children's Hospital</p> <p><i>Specialist children's hospital</i></p> 	<p>University Dental Hospital of Manchester</p> <p><i>Specialist dental hospital</i></p> 
<p>Wythenshawe Hospital</p> <p><i>Secondary and tertiary services</i></p> 	<p>Withington Community Hospital</p> <p><i>Diagnostics, day-case and community</i></p> 	<p>Trafford General Hospital</p> <p><i>Secondary Care Services</i></p> 	<p>Altrincham Hospital</p> <p><i>Secondary and tertiary services</i></p> 	<p>North Manchester General Hospital</p> <p><i>Secondary and tertiary services</i></p> <p>Planned to join MFT in 2019/20</p>

Key facts about our Trust

The Manchester Local Care Organisation (MLCO) is a partnership between the City Council, Commissioners and providers, including MFT. It is responsible for the delivery of out-of-hospital care and improved community-based health services aimed at preventing illness and caring for people closer to home. It is hosted by MFT and our community healthcare staff are deployed to MLCO.

MFT is also one of the major academic research centres and education providers in England. Research and innovation is at the heart of everything we do. It enables us to ensure that our patients have access to the latest high-quality care and clinical trials, to attract the best staff and in turn to deliver the best outcomes for patients. It also enables us to attract investment and develop relationships with industry to our mutual benefit.

<p>The Trust employs over 20,000 staff</p> 	<p>The Trust attends to more than 1,725,000 out-patients per year</p> 
<p>The Trust has an annual turnover of almost £1.6 billion</p> 	<p>The Trust delivers over 13,000 babies and carries out in excess of 189,000 operations/procedures per year</p>
<p>The Trust sees around 405,000 patients in its Accident & Emergency Departments per year</p> 	<p>The Trust has approximately 2,500 inpatient beds</p> 
<p>The Trust's research portfolio is the largest in the North West</p> 	<p>The Trust has the largest number of undergraduates and clinical staff in training in the North West</p>

Our vision and our values

Our Vision

Our vision is to improve the health and quality of life of our diverse population by building an organisation that:

- Excels in quality, safety, patient experience, research, innovation and teaching
- Attracts, develops and retains great people
- Is recognised internationally as a leading healthcare provider



<https://mft.nhs.uk/the-trust/our-vision-and-values/>

Our Values

Together Care Matters

- Everyone Matters
- Working Together
- Dignity and Care
- Open and Honest

Service developments

The merger that created MFT is already delivering benefits to both our patients and staff, with early examples including:

- **Neonatal nursing rotation:** this initiative gives nursing staffing from Wythenshawe Hospital and Saint Mary's Hospital an opportunity to work across the different services within MFT.
- **Imaging services:** Imaging and Nuclear Medicine colleagues across sites are working together to combine protocols and procedures to ensure consistent standards are being met across all areas of work.
- **Fellowship programme:** The combined Trauma and Orthopaedic service is leveraging its size and scope to create a fellowship programme.
- **MFT Frailty Standards:** A set of standards for the care of frail patients have been agreed that cross all MFT sites and services.
- **Shared capacity for trauma surgery:** At times of high demand for trauma surgery and longer waiting times at Manchester Royal Infirmary (MRI), some patients have been transferred to Wythenshawe Hospital for their surgery.
- **Gynaecology Multi-Disciplinary Teams:** Cross site endometriosis and urogynaecology Multi-Disciplinary Teams have been established, improving patient access to specialists and increased capacity across MFT.
- **Gynaecology shared elective capacity:** Over 100 elective patients have chosen to transfer their care from Saint Mary's to Wythenshawe where they will be seen more quickly.
- **Fractured neck of femur improvements:** The implementation of a shared approach to fractured neck of femur governance has led to improvements in key metrics at Wythenshawe Hospital and MRI.
- **Urgent care recruitment:** A joint recruitment programme to fill specialist urgent care roles is being carried out across the Trust.
- **Microbiology centralisation:** The Microbiology lab will be centralised from Wythenshawe into a new, state of the art facility at Oxford Road with associated benefits.

Improving patient and staff experience – rolling out 'What Matters to Me'

'What Matters to Me' was introduced to the Oxford Road Campus in 2016 as a new person-centred approach to patient experience. It is based on extensive work with patients and staff to identify what is important to them when both receiving and delivering services.

The key themes of 'What Matters to Me' emerged from talking to patients and staff:



- Positive communication
- Environment
- Organisational culture
- Professional excellence
- Leadership
- Employee wellbeing

Since the merger, work by the programme team is helping to ensure 'What Matters to Me' is rolled out across all our hospitals and services, so that it is:

- Integrated with our new MFT core values
- Embedded in key strategies
- Included in the staff appraisal process
- Included in key events
- Part of the recruitment process
- Part of the accreditation process
- Threaded through education programmes.

'What Matters to Me' is aligned to Bee Brilliant, a Trust-wide quality improvement



tool which enables nursing and midwifery teams to share good practice and celebrate success. Bee Brilliant also inspires and facilitates change projects within our hospitals and community services.

You can read more about our focus on patient safety (pages 141-156) and quality of care (pages 160-174) in the full Annual Report.

For more information about our staff, how we support and develop them and also their views on working at MFT, please see pages 84-95 in the full Annual Report



Meet the Board of Directors

Our Board of Directors is responsible for determining the Trust's:

- strategy, business plans and budget
- policies, accountability, audit and monitoring arrangements
- regulation and control arrangements
- senior appointment and dismissal arrangements.

To carry out their responsibilities, the directors work closely with the senior management teams across our hospitals and community services, and with many other partners across the health and care system. Through a good working partnership with our Governors, the Board also listens to the views of our members and the wider public.

You can find out more about the roles and backgrounds of our Directors at mft.nhs.uk/the-trust/the-board. Information about their pay arrangements is in Part Two of this report, pages 36-37.

Kathy Cowell **OBE DL** *Group Chairman*



Kathy was Chairman at CMFT from November 2016 until the merger in 2017, having previously been a CMFT Non-Executive Director from March 2013 and Senior Independent Director since March 2016. In addition to her role as Trust Chairman.

[Read more at: mft.nhs.uk/people/kathy-cowell-obe-dl](http://mft.nhs.uk/people/kathy-cowell-obe-dl)

Barry Clare *Group Deputy Chairman*



Barry was previously Chairman of UHSM and is a pioneering healthcare business leader with extensive experience in the healthcare industry sector.

[Read more at: mft.nhs.uk/people/barry-clare](http://mft.nhs.uk/people/barry-clare)

John Amaechi OBE *Group Non-Executive Director*



John is a psychologist, organisational consultant and high-performance executive coach. He is a New York Times best-selling author and a former NBA basketball player.

[Read more at: mft.nhs.uk/people/john-amaechi-obe](http://mft.nhs.uk/people/john-amaechi-obe)

Sir Michael Deegan **CBE** *Group Chief Executive*



Mike was previously Chief Executive at CMFT, having also held the post of Chief Executive at Warrington Hospital and then North Cheshire Hospitals NHS Trust.

[Read more at: mft.nhs.uk/people/sir-michael-deegan-cbe](http://mft.nhs.uk/people/sir-michael-deegan-cbe)

Gill Heaton OBE *Group Deputy Chief Executive*



Gill was previously Deputy Chief Executive at CMFT. She has worked as a senior nurse in various clinical areas, such as intensive care and medical wards and has held senior management posts in large acute Trusts.

[Read more at: mft.nhs.uk/people/gill-heaton-obe](http://mft.nhs.uk/people/gill-heaton-obe)

Julia Bridgewater *Group Chief Operating Officer*



Julia joined CMFT in September 2013 as Chief Operating Officer, from Shropshire Community Trust. She had previously served as Chief Executive at the University Hospital of North Staffordshire NHS Trust from 2007 to 2012.

[Read more at: mft.nhs.uk/people/julia-bridgewater](http://mft.nhs.uk/people/julia-bridgewater)

Professor Dame Sue Bailey OBE DBE *Group Non-Executive Director*



After studying medicine and psychiatry at the University of Manchester, Sue worked as a Child and Adolescent psychiatrist for over thirty years. Her national health policy and research work has focused on how to improve health care delivery through education and training of practitioners.

[Read more at: mft.nhs.uk/people/professor-dame-sue-bailey-obe-dbe](http://mft.nhs.uk/people/professor-dame-sue-bailey-obe-dbe)

Nic Gower *Group Non-Executive Director*



The majority of Nic's professional career as a Chartered Accountant was spent as a partner in PricewaterhouseCoopers LLP specialising in audit and assurance. Alongside providing professional services to his clients, he undertook leadership roles in quality, risk management and change management.

[Read more at: mft.nhs.uk/people/nic-gower](http://mft.nhs.uk/people/nic-gower)

Trevor Rees *Group Non-Executive Director*



Trevor is a Chartered Accountant with over 20 years' experience of working with the NHS and other publicly funded/not for profit organisations, providing financial audit and advisory services. He has worked with both Provider and Commissioner organisations in the NHS.

[Read more at: mft.nhs.uk/people/trevor-rees](http://mft.nhs.uk/people/trevor-rees)

Adrian Roberts *Group Chief Finance Officer*



A Chartered Certified Accountant, Adrian previously held the role of Executive Director of Finance at CMFT from May 2007. Prior to that, he had 16 years' experience as an NHS Director of Finance, predominantly in Stockport.

[Read more at: mft.nhs.uk/people/julia-bridgewater](http://mft.nhs.uk/people/julia-bridgewater)

Professor Cheryl Lenney *Group Chief Nurse*



Cheryl is the professional lead and is accountable for Nursing and Midwifery on the Board of Directors. She has over 35 years' experience as a nurse and a midwife, and has worked for MFT and its predecessor organisations since 2002.

[Read more at: mft.nhs.uk/people/professor-cheryl-lenney](http://mft.nhs.uk/people/professor-cheryl-lenney)

Darren Banks *Group Director of Strategy*



Darren became Director of Strategy at CMFT in April 2006 and has led a number of major organisation-wide initiatives, including the successful Foundation Trust application in 2009 and the acquisition of Trafford Healthcare Trust in 2012.

[Read more at: mft.nhs.uk/people/darren-banks](http://mft.nhs.uk/people/darren-banks)

Professor Luke Georghiou *Group Non-Executive Director*



Luke is the University of Manchester's Deputy President and Deputy Vice-Chancellor. Prior to this he was Vice President for Research and Innovation, helping the University to drive forward its research, business engagement and commercialisation agendas.

[Read more at: mft.nhs.uk/people/professor-luke-georghiou](http://mft.nhs.uk/people/professor-luke-georghiou)

Christine McLoughlin *Group Non-Executive Director/Senior Independent Director*



Chris was a staff nurse at Manchester Royal Infirmary in the 1980s, subsequently becoming a social worker based in a community team in central Manchester. She went on to hold key senior leadership positions with Manchester City Council and Stockport Metropolitan Borough Council.

[Read more at: mft.nhs.uk/people/christine-mcloughlin](http://mft.nhs.uk/people/christine-mcloughlin)

Dr Ivan Benett *Group Non-Executive Director*



Ivan has worked as a GP in Central and South Manchester for 30 years and has also worked at Royal Manchester Children's Hospital. He trained in Manchester and was a junior doctor at Saint Mary's Hospital and the Manchester Royal Infirmary.

[Read more at: mft.nhs.uk/people/dr-ivan-benett](http://mft.nhs.uk/people/dr-ivan-benett)

Miss Toli Onon *Group Joint Medical Director*



After training in obstetrics and gynaecology and cancer immunology, Toli became a consultant at UHSM in 2003. She was appointed as UHSM Medical Director in November 2016.

[Read more at: mft.nhs.uk/people/miss-toli-onon](http://mft.nhs.uk/people/miss-toli-onon)

Professor Jane Eddleston *Group Joint Medical Director*



Jane is a Consultant in Intensive Care Medicine and Anaesthesia in Manchester Royal Infirmary. She has extensive Clinical and Managerial experience in Critical Care and Acute Care and is the Chair of the Clinical Reference Group for Adult Critical Care.

[Read more at: mft.nhs.uk/people/dr-jane-eddleston/cbe](http://mft.nhs.uk/people/dr-jane-eddleston/cbe)

Margot Johnson *Group Director of Workforce and Organisational Development (OD)*



Margot has worked in the NHS for almost 40 years, mostly within Human Resources. She has been an HR Director in a teaching hospital for over 14 years, and was previously the Executive Director of HR and Corporate Services at CMFT.

[Read more at: mft.nhs.uk/people/margot-johnson](http://mft.nhs.uk/people/margot-johnson)



Our performance

Operational performance

2018/19 has been a challenging year for MFT with a continued rise in demand for our urgent and elective (planned) care services, which has placed constraints on the capacity across our services. Whilst MFT is focused on delivering timely access to services for our patients, our performance reflects the national position in which key national access standards have not been met.

The focus for MFT has been on maintaining patient safety. There have been no 12 hour trolley waits in

our Emergency Departments and we have achieved a strong performance for timely ambulance handover. In addition we delivered our commitment to reduce long waits for planned treatment in line with national requirements, have seen improvement in diagnostic waiting times for paediatric endoscopy, and have maintained performance against eight of the nine national cancer standards. You can read more about our performance against national standards in the full Annual Report, pages 34-36 and 128-132.

Accident & emergency attendances

A&E attendances
410,912

Clinic attendances
3,256

Total **414,168**

In-patient/day case activity

In-patient (non-elective)
134,653

In-patient (elective)
31,934

Day cases
137,913

Total **304,498**

Day cases as a % of elective activity **81.20%**
Day cases as a % of total activity **45.29%**

	In- patient	Day case	Total
Total on waiting list	3,910	18,087	21,997
Patients waiting 0-12 weeks	2,435	12,881	15,316
Patients waiting 13-25 weeks	965	3,549	4,514
Patients waiting over 26 weeks	510	1,657	2,167

Outpatient activity

Outpatients first attendances
493,483

Outpatients follow-up attendances
1,294,027

Total **1,787,510**

Bed usage

Average in-patient stay
4.67 days

Sustainability

Financial performance

MFT had an income of £1.7 billion and expenditure of £1.6 billion in 2018/19. Our financial outcome for the year to 31st March 2019 was an operating surplus (before finance costs) of £67 million (almost £27 million after finance costs).

During the year to 31st March 2019, we delivered £41.8m of savings against a plan of £51m. We spent £54.2m on capital schemes, of which £33.9m was on our sites and facilities, £8.7m was investment in new equipment and £11.6m was expenditure on information technology.

The Board has approved a Financial Plan for 2019/20 which contains a forecast surplus of £13.8m for this financial year, in line with the control total set for MFT by NHS Improvement, our regulator.

During 2018/19, the MFT Charity's income from fundraising and investment returns was £7.8m, and we spent £6.2m of this on making a difference to the lives of patients and their families.

Single Oversight Framework

NHS Improvement's Single Oversight Framework provides the framework for overseeing healthcare providers and identifying potential support needs. It looks at five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led).

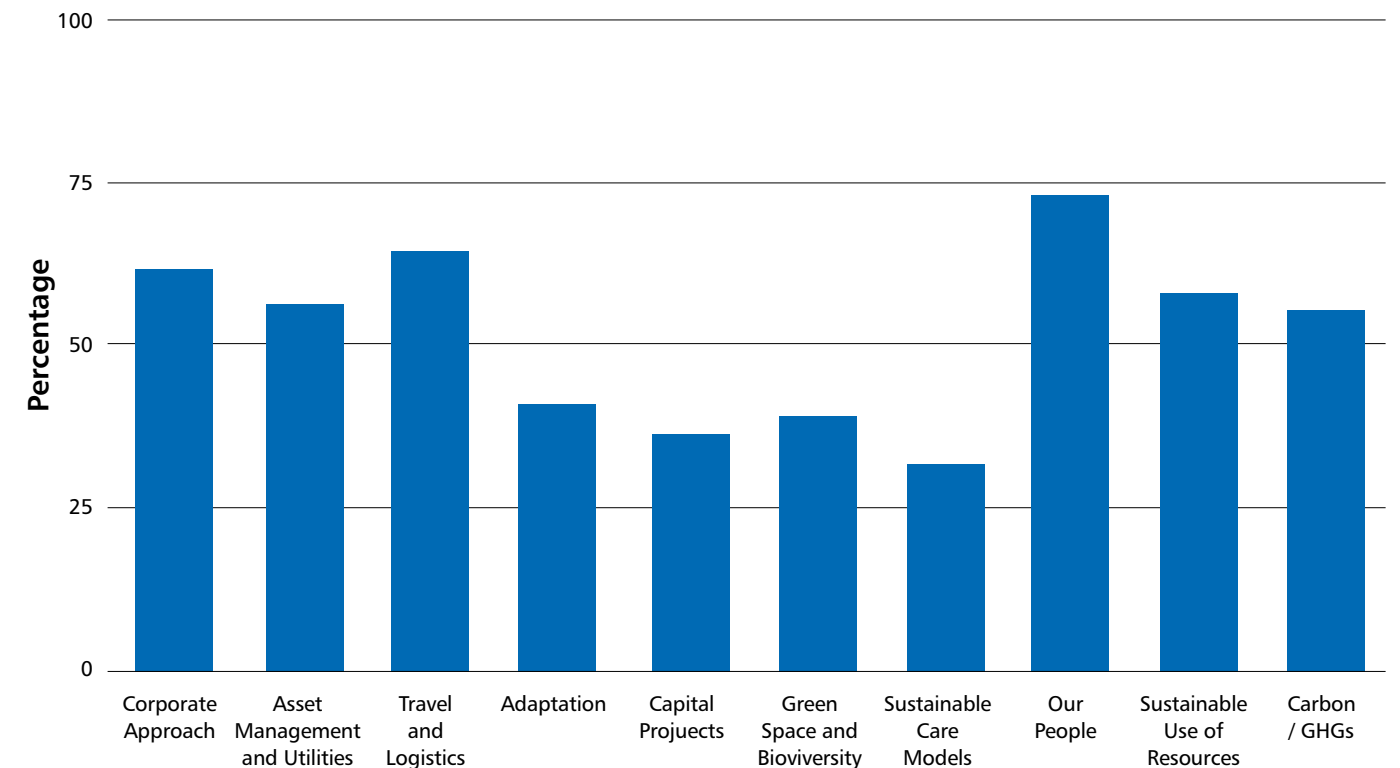
Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence. MFT has been placed in segment 2 by NHS Improvement, and this table gives information about how we scored in the finance theme:

Area	Metric	2018/19				October to March 2017/18 part year score	
		Q4	Q3	Q2	Q1	Q4	Q3
Financial sustainability	Capital service capacity	2	4	4	4	2	3
	Liquidity	1	2	2	1	1	2
Financial efficiency	Income and expenditure margin	1	2	3	3	1	2
Financial Controls	Distance from financial plan	1	2	2	2	1	2
	Agency spend	2	2	3	2	2	2
Overall scoring		1	3	3	3	1	2

At MFT, we are committed to being a leader in sustainable healthcare, by reducing our environmental impact, protecting our natural environment, empowering staff and operating responsibly, enhancing social value and collaborating with our stakeholders across the system to generate the best quality of life for all those who live and work within the communities we serve.

In November 2018, the Board approved our Sustainable Development Management Plan (SDMP) 2018-2023, 'The Masterplan' – the first one for MFT. This ambitious strategy sets out our overarching goals and objectives against the 10 modules of the Sustainable Development Assessment Tool (SDAT), as shown in the graph below.

Progress



We measure our qualitative sustainability performance using the SDAT. The last assessment was undertaken in March 2019, achieving a score of 54%. This represents a 3% increase since 2018, with the key areas of improvement including Sustainable Care Models and Our People.

We have produced a detailed stand-alone sustainability report for 2018/19 which you can find on the Trust's website at mft.nhs.uk/the-trust/reports-and-publications.

Social, community, anti-bribery and human rights performance

At MFT we believe that we have a responsibility to work with the communities we serve and act as a responsible organisation in everything we do. This includes how inclusive we are as an organisation, from ensuring our services meet the needs of our diverse communities to employing people who live local to our services.

Community Partnerships

MFT is working to develop and strengthen new and existing links with partners from the voluntary, community and social enterprise (VCSE) sectors in Manchester and Trafford, to improve patient experience, service delivery and co-ordination. Programmes of work include:

- Working in partnership with the Royal Voluntary Society to provide the Home From Hospital support service to eligible patients.
- Developing departments in the Trust to become third party Hate Crime Reporting Centres.
- Supporting the ongoing work of the Manchester Homelessness Strategy.
- Close collaboration with organisations such as CAHN (Caribbean African Health Network) and Trafford Strong Communities Board.

Widening participation at MFT

This year has seen an expansion in MFT's Widening Participation activity which aims to inspire our future workforce while supporting members of our local community to gain employment. We have increased the number of opportunities all our programmes. We now host over 100 pre-employment learners a year as well as 30 Supported Interns.

Supported Internships are employment-based courses giving students with special educational needs and disabilities the opportunity to develop employability skills.

We have also increased the number of work experience placements offered to learners from local colleges with six cohorts for our nursing based programme and three cohorts for our Taste of Medicine programme. Our Trust supports over 600 learners a year across these planned programmes and those hosted by individual staff and departments.

MFT has increased the number of NHS Career Ambassadors and we deliver a programme of insight days and skills clubs for local schools and colleges to learn about careers in the NHS. We continue to host the GM NHS Careers & Engagement Hub which supports learners and schools to understand the careers available in healthcare.

Tackling Modern Day Slavery

MFT is doing everything we can to ensure slavery plays no part in the services we run and our supply chains. We are also working to make sure we are protecting the communities we serve from the impact of modern day slavery. MFT as a partnership organisation was involved in the development and roll-out of 'Staying Safe - Manchester Modern Slavery & Human Trafficking Strategy 2018 to 2020'.

Equality, Diversity and Human Rights

Our Trust carried over 250 equality impact assessments on policies and services to ensure that the development of the Single Hospital Service meets the needs of the diverse communities we serve.

We partnered with AccessAble to create 384 online access guides to our wards and departments for our services users. These access guides can be viewed via this link – www.accessable.co.uk/organisations/manchester-university-nhs-foundation-trust

Phase one of a disability awareness training pilot has been delivered with 233 staff being trained on Autism Awareness, Deaf Awareness, Learning Disabilities Awareness, Mental Health Conditions Awareness, and Visual Awareness.

We hosted our first equality conference as MFT in March 2018. It was dedicated to exploring how we as a new Trust can address future accessibility challenges, by engaging with our communities, patients and staff members. Over 150 staff, service users and community organisations attended the conference and over 60 pledges were made to improve MFT's accessibility. We have continued to work with staff over the subsequent months to support the achievement of these pledges.

In our first year as a single hospital service, MFT was delighted to be awarded Partnership of Year by the Greater Manchester Caribbean and African Health Network (CAHN).



Leaders in research and innovation

MFT is at the forefront of healthcare research, innovation and life-sciences in the UK. Through both clinical and commercial expertise and funding, we have developed a ground-breaking infrastructure of clinicians, industry and academic partners to nurture clinical and commercial success and provide new products and services.

The Research and Innovation (R&I) Division's goal is to underpin all our hospitals, services and staff by being at the forefront of research and innovation. 2018/19 saw great developments in achieving this ambition.

The benefits of our multiple research sites across the new MFT footprint include a greater patient cohort to take part in research studies and an accelerated adoption of research and innovation into routine clinical practice. We have established an integrated Research Office, more clearly defined what we see as MFT Innovation and are embedding it as part of the MFT culture.

Our impact

Throughout the year a number of first in UK trials have taken place across our hospitals, including:

- A study investigating a new treatment for people with severe Hypertriglyceridemia (Shtg) at risk of developing acute pancreatitis.
- A study comparing current treatment for complex abdominal aortic aneurysms.
- A study evaluating a new treatment for cystic fibrosis.
- A study testing a new fully adjustable surgical implant to drain excess eye fluid caused by glaucoma.

During the Trust's NHS70 celebrations in July 2018 we highlighted the impact of research and innovation throughout the history of MFT's hospitals, including the UK's first professor of rheumatology, Jonas Kellgren, immortalised at the MRI's Kellgren Centre for Rheumatology.

February 2019 saw the launch of MFT's Diagnostics and Technology Accelerator (DiTA), as local and national delegates from across the NHS, healthcare, industry and universities heard how DiTA will support evidence generation and commercialisation between the NHS and industry across In Vitro Diagnostics (IVDs) and medical technology.

The excellence and expertise of our staff was again recognised with numerous awards, including an impressive four awards at the Greater Manchester Clinical Research Awards: Research Team of the year, Research Practitioner of the Year, a special award for Outstanding Industry Engagement, and a Lifetime

Achievement award for Professor Charles Hay.

Thanks to a landmark Department for International Trade (DIT) BioBridge, we have begun collaboration with the world's largest medical complex, The Texas Medical Center (TMC). Through this partnership we hope to not only explore the latest world-leading and life-changing medical advances, but to increase the scale and pace at which we can turn these innovations into everyday realities for our patients, both in Manchester and beyond.

Our National Institute for Health Research (NIHR) infrastructure, Manchester Biomedical Research Centre (BRC) and Manchester Clinical Research Facility (CRF) completed successful second years, conducting translational research to transform scientific breakthroughs into life-saving treatments and diagnostic tools for patients.

We also host the Public Programmes Team, a specialist unit advising on and delivering patient and public involvement and engagement (PPIE) across Greater Manchester, nationally and internationally.

Case Study:

Manchester patients are first in the UK to trial new glaucoma treatment

Bernie, from Preston, was diagnosed with advanced glaucoma in her late 50s and for 15 years had been using eye drops to help manage the condition. However, this had led to further problems.

Bernie said: "I was allergic to the preservatives in the standard issue glaucoma eye drops. My optometrist would prescribe me an alternative but I suffered terribly with swollen and itchy eyes, I looked like I have done ten rounds with Mike Tyson!"

As a result Bernie opted to take part in a research study at Manchester Royal Eye Hospital and became the first person in the UK to be fitted with eyeWatch technology. The eyeWatch device is the first ever glaucoma device that allows post-operative flow adjustment in clinic. This innovative mechanism reduces the risk of under and over-drainage that can occur with current drainage devices, reducing potential side effects or the need for further surgery.

Since taking part in the trial Bernie said: "I now feel empowered to know that I no longer need to take a 'wait and see' approach to the management of my glaucoma. Taking part in this research has given me a new lease of life."

Looking ahead

Our MFT **vision** and **strategic aims** set out what we want our Trust to look like in the longer term, and have been agreed at the MFT Group level.

Vision	<p>Our vision is to improve the health and quality of life of our diverse population by building an organisation that:</p> <ul style="list-style-type: none"> • Excels in quality, safety, patient experience, research, innovation and teaching, • Attracts, develops and retains great people, and; • Is recognised internationally as a leading healthcare provider.
Strategic Aims	To complete the creation of a Single Hospital Service for Manchester (Manchester University NHS Foundation Trust), with minimal disruption whilst ensuring that the planned benefits are realised in a timely manner.
	To improve patient safety, clinical quality and outcomes.
	To improve the experience of patients, carers and their families.
	To develop single services that build on the best from across all our hospitals.
	To develop our research portfolio and deliver cutting edge care to patients.
	To develop our workforce enabling each member of staff to reach their full potential.
	To achieve financial sustainability.

The key priorities, the 'must-dos' for the coming year, have been set by each MFT Hospital/Managed Clinical Service and form the basis of the Annual Plans that they have developed. This ensures that we have alignment across the Trust, at the same time as giving the Hospital/Managed Clinical Services the autonomy to decide on what their local priorities should be.

Since the autumn of 2018, work has also been underway to develop a new Clinical Service Strategy for MFT.

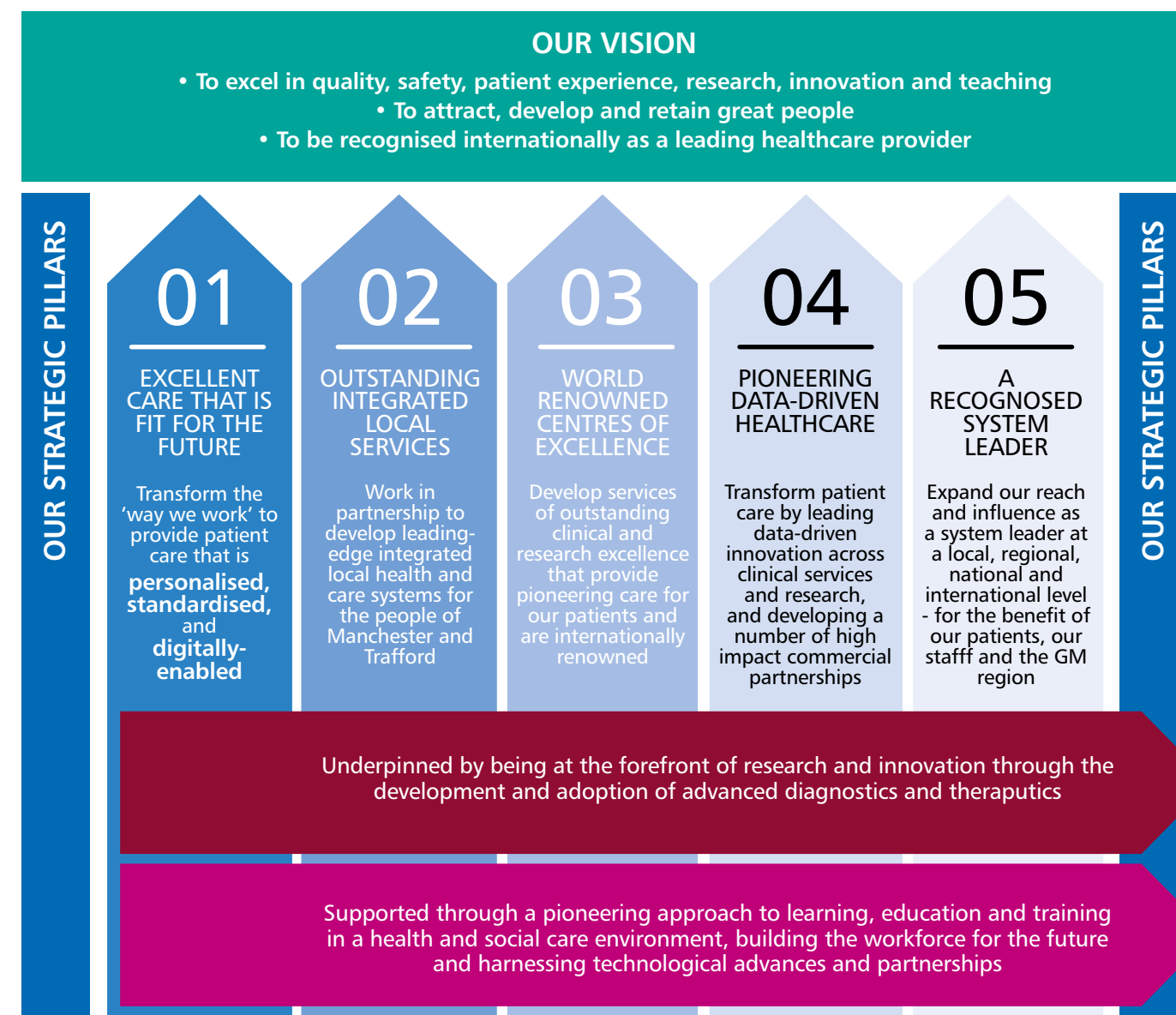
This strategy will address both the challenges we face, including:

- Increasing demand and changing patient expectations.
- Financial and staffing pressures.
- Changes to national and local policy.
- Variation in services and standards across MFT.
- Constraints on capacity and space.

and also the opportunities that local and national developments offer:

- Data and digital – using information and communication technologies to help address health problems.
- Personalised medicine – care tailored to the health needs of the individual.
- Devolution – the coming together of health and social care organisations across Greater Manchester to improve the health, wealth and wellbeing of the 2.8 million people living here.
- Single Hospital Service – the benefits of being a large, single organisation.

The MFT Group Service Strategy comprises five pillars, as shown below. Collectively they form our strategic framework.



Quality, priorities and outcomes

Below this, all of our clinical teams are creating individual clinical service strategies. As we develop these new strategies, we will ensure that our patients, their families and our Foundation Trust members have an opportunity to contribute their views and help us to shape future services and how they are delivered

Infrastructure development

To deliver this vision for our clinical services, it is important that we have sufficient clinical accommodation in the right place across all our sites.

On the Wythenshawe Hospital site, a master planning exercise has been undertaken which sets out a bold vision for the redesign of the whole campus which would see the development of brand new clinical buildings. This is an extremely exciting opportunity for MFT, our services and staff, especially as we deliver single services across all our hospitals. The Wythenshawe masterplan is a long-term vision and is dependent on securing clinical and other income.

Our Oxford Road Campus has already benefited significantly from investment in the new hospitals, which were completed in 2009 at a cost of around £500m. Further planned investments include:

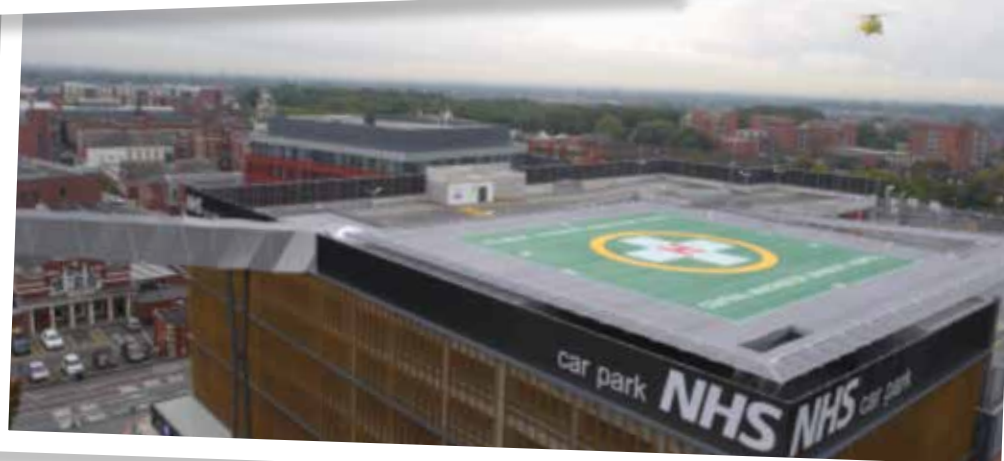
- Project RED – the £31 million programme to redevelop the Adult A&E. Enabling works have already commenced and will continue through 2019, with Emergency Department (ED) works starting in 2020.
- £10 million for theatre redevelopment in Manchester Royal Infirmary.
- The Helipad – this £7 million charitable programme of work will see the first NHS Helipad in the city centre open in spring 2020.
- Healthier Together – investment totalling £10 million.
- Royal Manchester Children’s Hospital – Paediatric ED redevelopment which is in the design phase.
- Royal Manchester Children’s Hospital – iMRI development work which is ongoing – a £16m investment overall.

The Trafford and Withington Hospital sites also have a key role in enabling us to maximise the use of our estate. Non-clinical space will be returned to clinical use to help us treat more patients on these sites.



Oxford Road Campus helipad

Project RED



Statement from the Joint Group Medical Directors and Group Chief Nurse

We are delighted to welcome you to a summary of our Manchester University NHS Foundation Trust first full year quality report. We have set out here our achievements in our first year, what we would like to do better and our quality priorities for the coming year. (You can read the full version in the MFT Annual Report for 2018/19, pages 118-255).

Since the merger on 1st October 2017, as Joint Group Medical Directors and Group Chief Nurse, we have worked together to ensure that the focus on quality and safety has been maintained throughout.

In 2018/19 the MFT Board of Directors set out a number of strategic objectives for the year; the first of those objectives is:

To improve patient safety, clinical quality and outcomes

This objective has been core to what we set out to achieve in our first full year as a Trust.

2018/19 has been a hugely challenging year for the NHS as a whole. MFT had to deal with many of those challenges. As with last year, challenging financial targets coupled with increased pressures on services such as our Emergency Departments have meant our staff have had to work even harder to deliver high quality care.

It is with immense pride that we are able to set out in this summary report that, as well as working hard to deliver excellent patient services in the face of those challenges, our teams have also brought together a newly-merged organisation safely and realised many of the patient benefits from the merger.

The case for the merger set out the benefits to quality, safety and patient and staff experience as:

Quality and Safety

- Reduce variation in the effectiveness of care.
- Reduce variation in the safety of care.
- Develop appropriately specialised clinicians.
- Reduce variation in the access to specialist care, equipment and technologies.

Patient Experience

- Provide more co-ordinated care across the city (and reduce fragmentation).
- Enhance the work of the Local Care Organisation to transfer care closer to home.
- Improve patient access and choice.

- Improve access to services and reduce duplication (and thus unnecessary trips to hospital).

Workforce

- Improve the recruitment and retention of a high quality and appropriately skilled workforce.
- Support the requirement to provide a seven day service.
- Reduce reliance on bank and locum/agency staff, and increase continuity of care from a substantive workforce.
- Support teams to meet the needs of current and future demand for services.

We are pleased to report that with very few exceptions, performance across key safety and quality indicators has continued to improve throughout our first full year.

At the beginning of this year we set out a number of aims; one of these was to achieve a ‘Good’ or ‘Outstanding’ Care Quality Commission (CQC) rating across all of our services. This year our staff worked with the CQC in the undertaking of the biggest comprehensive inspection ever of a NHS Trust, which resulted in an overall rating of ‘Good’ for quality of care and ‘Outstanding’ for our approach to care overall (see pages 24-25 for CQC inspection results).

We started the year as usual with an extensive work programme to achieve ambitious targets. We are pleased to say we achieved many of these and where we have not completely met our target we continue to work to make improvements.

At the beginning of the year we stated our commitment to improving quality and safety and set out the following broad objectives.

These objectives are aligned with the CQC quality domains, and provided us with a solid framework on which to build our improvement work with the patient/service user at the centre.

Safe

We aim to deliver safe care – **Right care first time, every time**

Caring

We will treat all of our patients/service users and each other with kindness and respect – **Providing the quality of care that matters to patients and their families**

Effective

Our patients/service users will get the best outcomes as a result of evidence based care – **Best outcomes for every patient**

Responsive

We will listen – and respond changing and improving when we need to – **Hearing the patient, public and staff voice at every level of the organisation**

Well-led

Our leadership teams will be visible, supportive and create a culture where everyone can speak and everyone is heard – **Exemplary leadership at all levels**

This report sets out in detail what we have done to meet those objectives and we are pleased to present the following headlines:

- ✓ Our services were rated overall as 'Outstanding' for caring by the CQC.
- ✓ We again reduced serious harm from patient safety incidents, meeting our stated aim of a 5% reduction.
- ✓ Our staff survey indicated that safety culture continues to improve.
- ✓ The CQC noted that the organisation had an open, transparent and positive learning culture.
- ✓ Our mortality indicators show that we continue to have fewer deaths than expected.
- ✓ Our infection rates are low.
- ✓ Our harm free care indicators are better than the national average for falls, pressure ulcers and Catheter Associated Urinary Tract Infections.

There are some areas where we still need to improve and the report details how we are going to do this. In particular we are disappointed to report that we had five 'never events' in the year.

Never events are a nationally defined patient safety incident where safety procedures exist that should prevent the incident from occurring if they are followed. The Trust has reported two misplaced naso-gastric tubes, one wrong side anaesthetic block, one incorrect side implant (a wrist plate) and the connection of a patient to air instead of oxygen. Whilst many other Trusts have reported these incidents, we are seeking to eliminate them and want to see no further occurrences going forward.

In 2019/20 we would like to set out the following key priority areas for inclusion in our work plan:

- ✓ Reduction in avoidable deaths.
- ✓ Effectively identify and manage all quality and safety risks.
- ✓ Create a culture where people can speak up, report concerns and be open – and learn when things go wrong.
- ✓ Eliminate Never Events.
- ✓ Eliminate avoidable infections.
- ✓ Reduce the number of falls that result in harm to patients.

We are very proud of the care we provide here at MFT and of all of our staff who deliver that care, whether they are in clinical patient/service user-facing roles or non-clinical supporting roles.

We would like to take this opportunity to thank all of our staff and our partners involved in the delivery of care for their hard work. We very much look forward to another successful year ahead as we continue to work together to provide the highest level of quality, safety and patient experience into 2019/20 and beyond.



Professor Jane Eddleston
Joint Group Medical Director



Miss Toli Onon
Joint Group Medical Director



Professor Cheryl Lenney
Group Chief Nurse

From Ward to Board – the golden thread

Each of us working here at MFT, in whatever service, discipline or level of seniority, has responsibility for the quality of care received by all of our patients and their loved ones. The Board of Directors has overall responsibility for the quality of the service. One of the challenges faced by all organisations of this size is how we ensure that messages are communicated effectively in such a large and complex service.

It is hugely important that any staff member is able to communicate a good idea or a concern to their colleagues or up to the Board of Directors if necessary and equally important that the Board can get messages to staff and other stakeholders. How we do this is sometimes referred to as 'Board to Ward, the golden thread'.

There are many ways that the organisation ensures that messages are effectively communicated and these include:

- ✓ Committees and groups – the Trust has a governance structure designed to ensure that messages can be communicated and effective decisions made at the right level.
- ✓ Freedom to Speak Up – the Trust has appointed a Freedom to Speak Up Guardian to ensure that a culture is in place whereby staff feel able to raise concerns whenever needed.
- ✓ Chief Executive Engagement sessions – an opportunity for all staff to meet the Chief Executive and his team and raise any issues they have directly with them.
- ✓ Team structures.
- ✓ Newsletters and briefings.
- ✓ The Trust Risk Register – any member of staff can contribute to this and it is reviewed regularly.
- ✓ This Risk Register informs the Board Assurance Framework, a document which provides information on strategic risks and mitigation.
- ✓ The Accountability Oversight Framework contributes to our Board Governance structure and is the process by which the Group Executive Directors oversee Hospital and Managed Clinical Services (MCS) performance. The process recognises good performance and also identifies areas of risk, enabling Group resources to support improvement in areas of greatest need. The process is underpinned by key performance indicators across the domains of Safety, Patient Experience, Operational Excellence, Workforce and Leadership, Finance and Strategy. The regularity and depth of review and scrutiny is proportionate to the level of Hospital/MCS performance.
- ✓ Senior Leadership walk rounds – members of the Board of Directors visit wards and departments to discuss issues with staff, patients and their visitors.
- ✓ The Trust Incident Reporting System – this is an online system open to all staff to report any incidents or safety concerns they have.
- ✓ The Trust Excellence Reporting System – it is equally important that good practice is recognised and shared.
- ✓ The Staff Survey and 'Pulse Check' – these are the national and local staff opinion checks.

Through our organisational development programme and embedding of the Trust values and behaviours, MFT seeks to strengthen this 'golden thread' at every opportunity and we will continue to do this in 2019/20.

CQC Comprehensive Inspection

It is with great pride that we report the Care Quality Commission (CQC) overall rating for both quality of care and leadership for Manchester University NHS FT as 'Good'.

The CQC undertook their inspection of the Trust core services in October/November 2018. Over 100 inspectors visited all of the Trust sites, including the newly formed Manchester Local Care Organisation, over a period of six weeks.

During their inspection, they visited all of our services and undertook a separate review of the Group leadership team to establish whether the Trust was 'Well led'. This inspection commenced within days of the organisation's first full year of establishment and we were pleased to present to the CQC many of the patient and staff benefits of the merger in our evidence.

The CQC rate all services against 5 key lines of enquiry (KLOE); the overall ratings for those KLOE are set out below. The ratings are given in 4 levels, outstanding, good, requires improvement and inadequate. We are particularly proud that the CQC found our approach to care as 'Outstanding' overall.

Manchester University NHS Foundation Trust



Group Level Well-led	Good					Good
	SAFE	EFFECTIVE	CARING	RESPONSIVE	WELL LED	
OVERALL GROUP	Good	Good	Outstanding	Good	Good	Good

The CQC inspected 11 of our Hospitals and Services and the overall ratings for each are set out below. We are delighted that three were rated as outstanding and seven were rated as good. One Hospital was rated as requiring improvement.

Hospital / MCS	Key lines of enquiry					Overall
	Safe	Effective	Caring	Responsive	Well-led	
Wythenshawe Hospital	Good	Good	Outstanding	Requires Improvement	Good	Good
Manchester Royal Infirmary	Requires Improvement	Requires Improvement	Good	Requires Improvement	Requires Improvement	Requires Improvement
Royal Manchester Children's Hospital	Good	Good	Outstanding	Good	Good	Good
Saint Mary's Hospital	Good	Good	Outstanding	Good	Good	Good
Manchester Royal Eye Hospital	Good	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding
University Dental Hospital Manchester	Outstanding	Outstanding	Good	Requires Improvement	Outstanding	Outstanding
Trafford General Hospital	Good	Good	Good	Good	Good	Good
Altrincham Hospital	Good	Not Rated	Good	Good	Good	Good
Manchester Local Care Organisation	Good	Good	Good	Good	Good	Good
Child and Adolescent Mental Health Services	Good	Outstanding	Outstanding	Outstanding	Outstanding	Outstanding
Overall	Good	Good	Outstanding	Good	Good	Good

In total, across the 11 Hospitals and Services, 42 core services were reviewed and rated. A core service is a component part of a Hospital or Service such as Medicine, Maternity or Community Dentistry. The CQC break each service down into its parts and inspect each individually. Across the 42 core services inspected, the ratings were as follows:

- 7 were rated as Outstanding
- 29 were rated as good
- 6 were rated as requiring improvement.

The CQC report can be found here in full:
www.cqc.org.uk/provider/ROA/reports

It is a lengthy report detailing many positive and outstanding findings. As expected with such a comprehensive review, the report also notes a number of areas for improvement and the Trust was disappointed that one of its hospitals, the Manchester Royal Infirmary, was rated as requires improvement overall. The Hospital has developed a detailed plan and aims to be rated as good or outstanding in the near future.

The detailed ratings for core services are included for each Hospital and Service in their individual reports on pages 187-244 of the full Annual Report. Here are some examples of the CQC findings:

The Trust has a detailed plan in place and is making the improvements the CQC have advised. We aim to move all services rated as requiring improvement to good or outstanding in the coming months.

In future the CQC will re-inspect services on the basis of the Trust's previous ratings and the latest information they have to decide which services to inspect alongside their annual inspection of the well-led key question. The maximum intervals for re-inspection are:

- Two years for core services rated as requiring improvement.

- Three and a half years for core services rated as good.
- Five years for core services rated as outstanding.

The CQC will take into account the Trust's own assessment of the quality of its core services. If the organisation is of the view that services have improved, the CQC will re-inspect on request.

We look forward to working with the CQC over the coming year to further improve all of our services.

What the Trust is doing well...

- ✓ High level of leadership experience, capability, capacity and integrity.
- ✓ Outstanding ratings for 'caring' across many areas.
- ✓ A mostly positive response to the merger and new arrangements from staff.
- ✓ A good safety culture with high levels of reporting and strong evidence of learning.
- ✓ Many examples of learning from complaints.
- ✓ A compelling vision at core service and strategic level.
- ✓ Clear statement on vision and values that was well understood by staff.
- ✓ Clear roles and responsibilities and sound systems to support good governance.
- ✓ Effective systems for the management of risk.
- ✓ Staff consistently stated that finance did not take priority over patient safety.
- ✓ Good examples of staff engagement.
- ✓ Medicines were mainly managed well and stored safely.
- ✓ The environment was mostly clean.
- ✓ Infection rates are low.
- ✓ Care was effective and based on evidence/best practice.
- ✓ Good Multi-Disciplinary Team working evident across most areas.

What the Trust needs to do better...

- ✗ The paper and electronic health record needs to improve.
- ✗ Recording of maintenance and management of medical equipment.
- ✗ Mandatory training compliance for all staff.
- ✗ Compliance with some clinical protocols such as the World Health Organisation Surgical Safety Checklist for surgery.
- ✗ Staffing levels in the Emergency Departments at MRI, Wythenshawe Hospital and Trafford Hospital.
- ✗ Staffing in some other areas of the Trust.
- ✗ Consistent patient access to treatment in a timely way.
- ✗ Staff appraisal rates.
- ✗ Manchester Royal Infirmary – Urgent and Emergency Services, Surgery and Outpatients.
- ✗ Wythenshawe Hospital – Urgent and Emergency Services.
- ✗ Trafford Hospital – Urgent and Emergency Services.
- ✗ Withington Community Hospital – Outpatients.

The recommendations above include a series of 'must do' actions or 'requirement notices' where they found there was a breach of the regulations. These actions are a priority on the plan and we will work closely with the CQC to evidence we have addressed the issues in a timely way.



What our patients say

Friends and Family Test (FFT)

“How likely are you to recommend our service to friends and family if they needed similar care or treatment?”

The Friends and Family Test (FFT) is a single question survey which asks patients whether they would recommend the NHS service they experienced to friends and family who need similar treatment or care. The FFT is a significant feedback tool that supports the fundamental principle that people who use NHS services should have the opportunity to provide feedback on their experience. FFT results are published monthly on the NHS England and NHS Choices websites.

Within our Trust we use the valuable FFT feedback alongside other data (such as our Quality of Care Round/Monthly Quality Audits, local Patient Experience Surveys and National Patient Surveys) to further inform continuous improvements that make a real difference to patients and their care.

FFT feedback from our patients

All our hospitals review their FFT response rates and comments from our patients to identify areas for local improvements. Comments from patients who have used our services across all our hospital sites include both positive feedback and suggestions for ways in which we can improve:

“Informative, friendly and caring. All good”

“Everything was good about care, apart from the wait”

“Attitude of all staff very caring they listened to me”

“The whole experience was good but was late going in my appointment”

“Amazing dedication, care and professionalism of all staff”

“The service is good but they could make the appointment system more organised.”

FFT Response and Results

Area	Response Rate 2018/2019	Percentage of patients who were 'likely' and 'extremely likely' to recommend our services.
Inpatients	20.8%	97.1%
Emergency Departments	16.0%	86.4%
Outpatients	N/A	95.5%
Community	N/A	98.9%
Maternity Services	N/A	98.7%

During 2018/19

- The Quality Improvement Team and Patient Experience Teams have worked collaboratively with staff across the organisation to promote FFT.
- A new electronic system was implemented across our wards and departments to enable teams to review FFT feedback and specifically individual comments in almost real time.
- The development of new FFT cards, which support the gathering of more detailed feedback from all of our patient groups.
- The provision of the FFT question as a separate icon on the hand held electronic devices, making it easier for our patients to complete the FFT question on their discharge.

In 2019/20, we plan to continue to implement easy read surveys for patients.

Membership

As an NHS Foundation Trust, we are accountable to our members (who include our patients, staff and stakeholders). This means that we are able to respond much more quickly and effectively to the identified needs of our patients and their families. One of the key benefits of being an NHS Foundation Trust is that those living in the communities that we serve can become members.

Our Membership Community is made up of both public (including patients and carers) and staff members. On 31st March 2019, we had 23,214 public members and 23,473 staff members, giving an overall total membership community of 46,687 members.

From these members, Governors are elected to our Council of Governors, to represent their interests and influence the Trust's future plans. Members play an important role in ensuring that our services accurately reflect the needs and expectations of the communities that we serve.

The Board of Directors and Council of Governors have distinct roles. The Board is responsible for the direction, all aspects of operation and performance, and for effective governance of the Trust. The Council of Governors is responsible primarily for seeking assurance about the performance of the Board and representing the interests of members (public and staff) and the general public.

Membership aim & key priorities

Our membership aim and key priorities are:

Aim: for the Trust to have a representative membership which truly reflects the communities that it serves, with Governors actively representing the interests of members as a whole and the interests of the public.

Priorities:

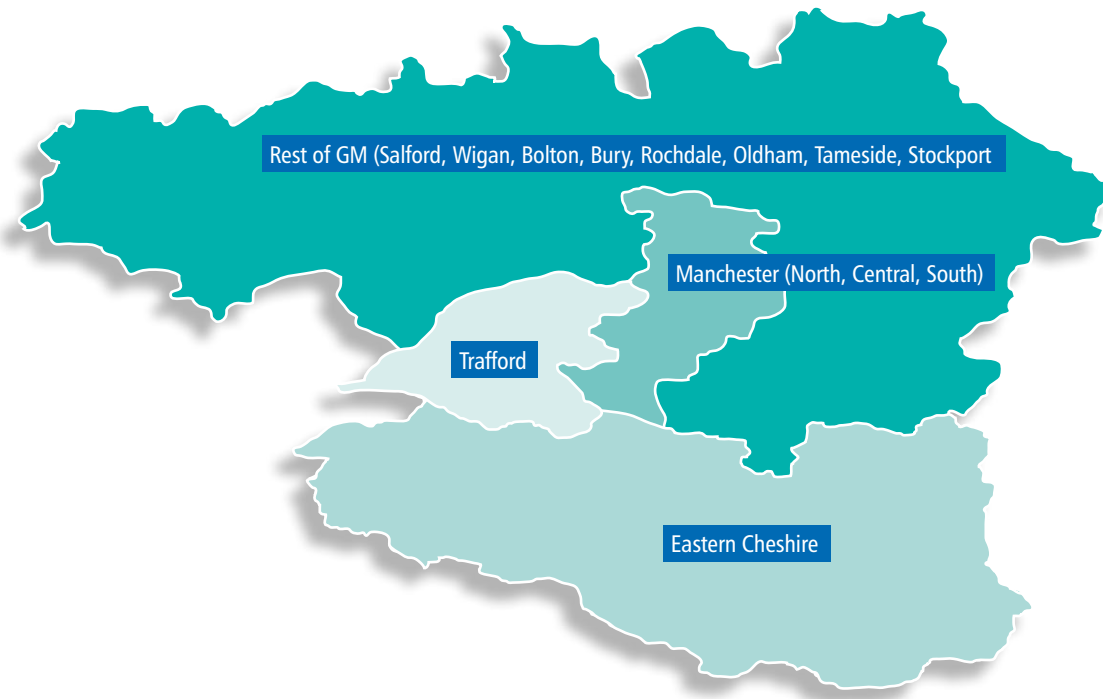
- **Membership Community** – to uphold our membership community by addressing natural attrition and membership profile short-falls.
- **Membership Engagement** – to develop and implement best practice engagement methods.
- **Governor Development** – to support the developing and evolving role of Governor by equipping Governors with the skills and knowledge in order to fulfill their role.

Public membership

Public membership is voluntary, free and open to anyone who is aged 11 years or over and resides in England and Wales. Our Public Member constituency is subdivided into five areas:

Public Constituencies	Number of public members
Manchester	8,550
Trafford	3,355
Eastern Cheshire	842
Rest of Greater Manchester	7,850
Rest of England & Wales	2,617
Total	23,214

The map opposite illustrates the Public Member Constituencies for Manchester, Trafford, Eastern Cheshire and Rest of Greater Manchester areas. Areas that fall outside these Constituencies are captured in the Rest of England and Wales Constituency.



We are committed to having a representative membership that truly reflects the communities that we serve and we welcome members from all backgrounds and protected characteristics. To achieve this, the Trust has established a Governors' Membership & Engagement Sub-Group which has been actively involved in developing MFT's Membership and Engagement Strategy alongside public membership recruitment activity. The Sub-Group undertook a detailed review of MFT's public membership profile in January 2019. As a result, public membership profile gaps were identified, with a targeted public member recruitment campaign being held during February/March 2019.

The focus of this campaign was to recruit new members to address profile short-falls alongside attaining a total public membership in line with staff membership numbers. Over 2,000 new public members were successfully recruited across several targeted profile groups: young people (11–16 and 17–21 years) and males in addition to the following Ethnic Groups: White including Gypsy or Irish Traveller and Other, Arab and Chinese.

The Board of Directors monitors how representative our membership is and the level and effectiveness of membership engagement as part of the annual reporting process. The Governors' Membership & Engagement Sub-Group supports the Board of Directors in this process and has identified success measures.

Staff membership

All qualifying members of staff are automatically invited to become members as we are confident that our staff want to play an active role in developing better quality services for our patients. Staff can opt out if they wish to do so.

The Staff Member Constituency is subdivided into four staff classes:

Staff classes	Number of staff members
Medical & Dental	2,136
Nursing & Midwifery	6,874
Other Clinical Staff	7,459
Non-Clinical & Support	7,004
Total	23,473*

* This figure includes clinical academics, facilities management contract staff and full head counts which include bank staff and staff on zero hours contracts

Benefits of being a Foundation Trust Member

Members are given a voice with their views and opinions being valued – their support and involvement is vital to our future success.

As an NHS Foundation Trust, we are committed to engaging with both our members and the public, who can:

- Talk to and engage with Governors, at our membership events or via our Foundation Trust Membership Office.
- Participate in interactive membership questionnaires/surveys, available at events or via our website and/or membership newsletter.
- Join our Youth Forum (if aged 11–21 years).
- Become a Hospital Volunteer (if aged 16 years or over).
- Receive information about our hospital Charity and become involved in fundraising events.
- Share their views on our future priorities and participate in our 'Forward Planning' process.
- Share their views and opinions about our hospital services.
- Receive information and updates about the Trust's plans, services and achievements through our MFT News membership newsletter and via our Membership/Governor web pages.

Membership is completely free and is open to anyone who lives in England and Wales who is aged 11 years or over (please ask the permission of your parents/carers to become a Member if you are under 18).



How to become a member, update your membership information or cancel your membership

We are committed to establishing a truly representative membership and we welcome members from all backgrounds and protected characteristics including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation (this is not exclusive of other diverse backgrounds).

Membership application forms are on the Trust's website (www.mft.nhs.uk) by clicking the 'Become a Member of our Trust – Membership Form' button. Hard copies are available from the Foundation Trust Membership Office (contact: ft.enquiries@mft.nhs.uk or 0161 276 8661).

As part of the NHS membership application process, individuals are asked to supply their personal data, with any data that is supplied being used only to contact them about the Trust's Membership or other related issues and being processed for these purposes only. A copy of MFT's privacy notice can be found on the Trust's website: mft.nhs.uk/privacy-policy

If you are an existing member:

- and the information that you supplied as part of your initial membership application process has changed or changes in the future, or
- you would like to cancel your membership

please contact the Foundation Trust Membership Office (details on page 35).



Our Council of Governors

The Council of Governors was established following the creation of MFT on 1st October 2017. The Board of Directors is committed to understanding the views of Governors and Members via the Council of Governors and holding and attending regular Governor and Members' Meetings.

Governors are responsible for representing the views of members, the public and the communities that the Trust serves. They are also responsible for holding our Non-Executive Directors (individually and collectively) to account for the performance of our Board of Directors by ensuring that they act so that we do not breach the terms of our authorisation. In addition, Governors receive agendas and approved minutes and are encouraged to attend each Board of Directors' Meeting. You can read more about the role

and responsibilities of Governors on our 'Information about Governors' webpage –

mft.nhs.uk/the-trust/governors-and-members/information-about-governors

We have 32 Elected and Nominated Governors on our Council of Governors, the majority of whom (24 out of 32) are directly elected from and by our members. More information about our Governor Elections is available via our 'Election's webpage mft.nhs.uk/the-trust/governors-and-members/elections

In 2018/19, elections for three Public Governors were held and nominations were received for two new Nominated Governors, one from Manchester Health & Care Commissioning Group and one from the Caribbean & African Health Network.

MFT's Governor Election Turnout Data – 2018

Date of Election	Constituencies Involved	Number of Eligible Voters (Members)	Number of Seats Contested	Number of Contestants	Election Turnout
September 2018	Public – Rest of Greater Manchester	7,219	1	12	7.9%
	Public – Rest of England & Wales	2,439	2	5	6.5%

Successful candidates and nominees were announced at our Annual Members' Meeting on 25th September 2018 and formally commenced in post following closure of the meeting. More information about our Governor Elections and Annual Members' Meeting can be found under at:

mft.nhs.uk/the-trust/governors-and-members

Lead Governor elections were held during October/November 2018 with Jayne Bessant (Public Governor – Manchester) being elected for a one year term of office. Results were formally announced at the Council of Governors' Meeting on 13th November 2018 and Jayne commenced in post following closure of this meeting.



Elected Public Governors

Name	Constituency	Term of Office
Jayne Bessant*	Manchester	3 years ending 2020
Dr Michael Kelly*	Manchester	3 years ending 2020
Suzanne Russell*	Manchester	3 years ending 2020
Sue Rowlands*	Manchester	3 years ending 2020
Janet Heron*	Manchester	2 years ending 2019
Dr Syed Ali*	Manchester	2 years ending 2019
John W Churchill*	Manchester	2 years ending 2019
Jane Reader*	Trafford	3 years ending 2020
Christine Turner*	Trafford	2 years ending 2019
Chris Templar*	Eastern Cheshire	3 years ending 2020
Ivy Ashworth-Crees*	Rest of Greater Manchester	3 years ending 2020
Cliff Clinkard*	Rest of Greater Manchester	3 years ending 2020
Stephen Caddick*	Rest of Greater Manchester	2 years ending 2019
Paula King	Rest of Greater Manchester	3 years ending 2021
Sheila Otty	Rest of England & Wales	3 years ending 2021
VACANT (election to be held Summer 2019)	Rest of England & Wales	3 years

*Transitional Public Governor

Public Governor Terms of Office Ended during 2018/19:

- Dave Edwards* (Rest of Greater Manchester) – Resigned (May 2018)
- Andrew Whyte* (Rest of England & Wales) – Resigned (July 2018)
- Dr Anthony Nixon* (Rest of England & Wales) – Stepped down (September 2018)
- Karen Morris* (Rest of Greater Manchester) – Resigned (December 2018)
- Dr William O'Neill (Rest of England & Wales) – Resigned (February 2019)

*Transitional Public Governor

Elected Staff Governors

Name	Constituency	Term of Office
Dr Matthias Schmitt*	Medical & Dental	3 years ending 2020
John Cooper*	Nursing & Midwifery	2 years ending 2019
Jacky Edwards*	Nursing & Midwifery	3 years ending 2020
Alix Joddrell-Banks*	Other Clinical	2 years ending 2019
Geraldine Thompson*	Other Clinical	3 years ending 2020
Rachel Koutsavakis*	Non-Clinical & Support	2 years ending 2019
Colin Owen*	Non-Clinical & Support	3 years ending 2020

*Transitional Public Governor

A Nominated Governor may hold office for a period of up to three years with Governors being nominated by a number of partner organisations and groups:

Nominated Governors		
Name	Nominating Organisation	Term of Office
Cllr Chris Boyes	Trafford Borough Council	3 years ending 2020
Dr Jenny Myers	The University of Manchester	3 years ending 2020
Cllr Tracey Rawlins	Manchester City Council	3 years ending 2020
Circle Steele	Manchester BME Network	3 years ending 2020
Brooke Taylor	MFT Youth Forum	3 years ending 2020
Graham Watkins	MFT Volunteer Services	3 years ending 2020
Rev Charles Kwaku-Odoi	Third Sector Umbrella Organisation (currently Caribbean & African Health Network)	3 years ending 2021
Dr Denis Colligan	Manchester Health and Care Commissioning	3 years ending 2021

Full details about Governors' term of office are outlined in the Trust's Constitution which is available via 'The Trust' webpage: mft.nhs.uk/the-trust. More information about MFT's Council of Governors is available via our 'Meet our Governors' webpage – mft.nhs.uk/the-trust/governors-and-members/council-of-governors

You do not need specific qualifications to be a Governor, other than an interest in healthcare and a commitment to representing members and the public to the best of your ability. There are, however, certain statutory requirements that prevent an individual from becoming a Governor, such as criminal convictions within the preceding five years, bankruptcy, dismissal from an NHS job within the preceding two years or disqualification from an NHS body.

Governors receive training for their role, and are supported by the Foundation Trust Membership Office in representing and communicating with their constituents. If you are interested in standing for election as Governor, you can find out more about the process and criteria via our 'Elections' webpage: mft.nhs.uk/the-trust/governors-and-members/elections or contact the Foundation Trust Membership Office.

As set out in the Health & Social Care Act (2012), Governors have two key duties:

- to represent the views and interests of members of the Trust as a whole and the interests of the public.

- to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.

From these key duties, we have developed the following Governor aim and key objectives:

Aim – Governors proactively representing the interests of members as a whole and the interests of the public via active engagement and effectively holding the Non-Executive Directors, both individually and collectively, to account for the performance of the Board of Directors.

Objectives

- **Governor Engagement** – Governors to be proactive in developing and implementing best practice membership and public engagement methods.
- **Governor Assurance** – Governors to act as the conduit between the Foundation Trust Board of Directors and members and the wider public by conveying membership and public interests and providing Board performance assurance.
- **Governor Development** – the Foundation Trust to support the developing and evolving role of Governor by equipping Governors with the skills and knowledge in order to fulfill their role.

The Chairman is responsible for leadership of both the Board of Directors and the Council of Governors and ensures that the views of Governors and members are communicated to the Board. The interaction between

the Board of Directors and the Council of Governors is seen primarily as a constructive partnership, seeking to work effectively together in their respective roles. Governors are encouraged to act in the best interests of the Trust and are bound to adhere to its values and code of conduct.

Governors in action

The Council of Governors has a number of statutory powers including the appointment of the Group Chairman, Group Non-Executive Directors and the Trust's External Auditors, which it discharges at meetings of the Council of Governors (meets four times per year) in addition to attending a fifth event - the Trust's Annual Members' Meeting

Governors are also the link between our members and the wider public, determining their needs/views on the delivery of our services, and our Directors who make the decisions and hold responsibility for our services. To support this process, Governors participate in a range of key meetings and groups, including:

- **Governors' Performance Assurance Meeting** – supports Governors in holding Non-Executive Directors to account for the performance of the Board of Directors by reviewing the Trust's performance across patient quality, clinical effectiveness, patient experience, finance and productivity.
- **Governors' Membership & Engagement Sub-Group** – supports Governors to identify key membership interests alongside helping Governors to recruit, retain and engage with members, ensuring a representative base is established which accurately portrays the diverse communities that the Trust serves.
- **Governors' Patient Experience Sub-Group** – supports Governors to represent patients' interests and become familiar with the Trust's 'What Matters to Me' philosophy on matters relating to patient experience and quality.
- **Governors' Staff Experience Sub-Group** – supports Governors to represent staff interests and become familiar with the Trust's 'Workforce and Organisational Development Strategy' and on matters relating to staff experience and well-being.

During 2018/19, a programme of bespoke visits was also specially arranged for Governors which provided a unique opportunity for MFT staff to showcase their services and facilities. This enabled Governors to ultimately learn more about the expert range and quality of services MFT delivers, alongside

providing a forum for Governors to engage with a wide-range of staff.

In addition, Governors had the opportunity to speak to Care Quality Commission (CQC) inspectors during the Trust's CQC inspection in October 2018 and again were encouraged to share their and members' views and experiences of the Trust.

Share your views

Governors welcome the views and opinions of members, patients and the public, and it's a key part of their role to share them with the Board of Directors. Areas of particular focus to Governors are in relation to the Trust's performance and future plans, with Governors being responsible for representing the interests of members, the public and the communities that the Trust serves.

Key Membership events/meetings include dedicated Governor Engagement Sessions, during which Governors actively seek views from members and the public and encourage attendees to participate in interactive questionnaires. For more information about membership events, visit the 'Members' Meetings' webpage mft.nhs.uk/the-trust/governors-and-members/members-meetings

Governors also attend regular meetings with the Board of Directors to share and exchange views, striving to ensure that the interests of members, patients and the public are represented.

You can contact Governors through our Foundation Trust Membership Office by:

Post:
Freepost Plus RRBR-AXBU-XTZT
MFT NHS Trust
Oxford Road
Manchester M13 9WL

Phone:
0161 276 8661 (office hours 9.00 am to 5.00 pm, Monday to Friday; answering machine outside these hours)

E-mail: ft.enquiries@mft.nhs.uk

You can find more information about the role of Governors, members and the Board of Directors in the full Annual Report on our website at: mft.nhs.uk/the-trust/reports-and-publications

PART TWO – key regulatory information

Details of Directors' pay 2018/19

Professor Georghiou commenced his role as Group Non-Executive Director on 1st June 2018 and has elected not to receive his remuneration for this post, but has nominated that the University of Manchester receives it on his behalf.

The salary disclosed for Professor Pearson and Professor Eddleston is for the period for which they were members of the Board.

	Salary (Bands of £5,000) £000
Kathy Cowell Group Chairman	65-70
Barry Clare Group Deputy Chairman	15-20
John Amaechi Group Non-Executive Director	15-20
Chris McLoughlin Group Non-Executive Director/Senior Independent Director	15-20
Dr Ivan Benett Group Non-Executive Director	15-20
Nic Gower Group Non-Executive Director	20-25
Prof Luke Georghiou Group Non-Executive Director	10-15
Dame Sue Bailey Group Non-Executive Director	15-20
Trevor Rees Group Non-Executive Director	15-20
Sir Mike Deegan Group Chief Executive	265-270
Gill Heaton Group Deputy Chief Executive	160-165
Silas Nicholls Silas Nicholls, Group Deputy Chief Executive (left the Board 31st March 2018)	0-5
Prof Bob Pearson Joint Group Medical Director (left the Board 31st August 2018)	55-60
Miss Toli Onon Joint Group Medical Director	180-185
Adrian Roberts Group Chief Finance Officer	195-200
Julia Bridgewater Group Chief Operating Officer	195-200
Margot Johnson Group Director of Workforce & OD	165-170
Prof Cheryl Lenney Group Chief Nurse	165-170
Darren Banks Group Director of Strategy	165-170
Prof Jane Eddleston Joint Group Medical Director (joined the Board 1st Sept 2018)	100-105

Taxable benefits in kind (Rounded to nearest £100) £000	Annual performance related bonuses (Bands of £5,000) £000	Long term performance related bonuses (Bands of £5,000) £000	All pension related benefits (Bands of £2,500) £000	Total (Bands of £5,000) £000
				65-70
				15-20
				15-20
				15-20
				15-20
				20-25
				10-15
				15-20
				15-20
			205-207.5	475-480
				160-165
				0-5
				55-60
			12.5-15	195-200
			405-407.5	600-605
			222.5-225	415-420
			375.5-380	545-550
				165-170
				165-170
				100-105

Auditor's Report

Fair pay multiple

MFT is required to disclose the relationship between the remuneration of the highest paid Director and the median remuneration of our workforce. This information is listed below:

Highest paid Director's salary	£270,000
Median Total Remuneration	£29,608
Remuneration Ratio	9.1
Range of staff remuneration	£14,451 to £252,500

In 2018/19 no MFT employees received remuneration in excess of the highest paid Director.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does

not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.



Independent Auditor's Report to the Council of Governors and Board of Directors of Manchester University NHS Foundation Trust

Opinion on the financial statements

We have audited the financial statements of Manchester University NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31st March 2019 which comprise the Statement of Comprehensive Income (Trust and Group), the Statement of Financial Position (Trust and Group), the Statement of Changes in Taxpayers Equity (Trust and Group), the Statement of Cash Flows (Trust and Group), and notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as interpreted and adapted by the Government Financial Reporting Manual 2018/19 as contained in the Department of Health and Social Care Group Accounting Manual 2018/19, and the Accounts Direction issued under section 25(2) of Schedule 7 of the National Health Service Act 2006 ("the Accounts Direction").

In our opinion, the financial statements:

- give a true and fair view of the state of the Trust's and the Group's affairs as at 31 March 2019 and of their income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2018/19; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006 and the Accounts Direction issued thereunder.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's or Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

NHS revenue recognition and recoverability of NHS receivables

Revenue recognition

Auditing standards include a rebuttable presumption that there is a significant risk in relation to the timing of income recognition, and in relation to judgements made by management as to when income has been earned.

The pressure to manage income to deliver forecast performance in a challenging financial environment increases the risk of fraudulent financial reporting leading to material misstatement and means we are unable to rebut the presumption.

We consider specific risks in relation to revenue recognition to be in the following areas:

- recognition of income and receivables around the year end;
- recognition of Provider Sustainability Fund (PSF) income during the year; and recognition of Research and Development (R&D) deferred income arising from the introduction of IFRS15 in 2018/19.

We undertook a range of substantive procedures including:

- testing of income around the year-end to ensure transactions are recognised in the correct financial year;
- testing year-end receivables to ensure transactions are recognised in the correct financial year;
- testing of PSF income by agreement to NHS Improvement year-end funding notification;
- reviewing intra-NHS reconciliations and data matches provided by the Department of Health and Social Care as a means of identifying under-recorded income and for testing individual mismatches above our trivial threshold ;
- with regard to income recognition; review of management oversight of material accounting estimates, review of changes to accounting policies and test and challenge of accounting estimates; and
- review and testing of management's first time application of IFRS15 Revenue from contracts with customers as applied to research and development income;

Our work provided the assurance we sought in respect of this key audit matter.

Property valuations

Land and buildings are the Trust's highest value assets. Management periodically engage the District Valuer, as an expert, to assist in determining the current value of property to be included in the financial statements. Management concluded that formal engagement of the District Valuer was not required for 31 March 2019.

We liaised with management to update our understanding on the approach taken by the Trust in its valuation of land and buildings, which included review and challenge of the methodology that the Trust uses in valuing an alternative site as part of its modern equivalent asset (MEA) valuation. Our work also included review of the underlying data on the fixed asset register.

There is a high degree of estimation uncertainty and changes in the value of property may impact on the Statement of Comprehensive Income depending on the circumstances and the specific accounting requirements of the Department and Health and Social Care Group Accounting Manual.

We reviewed and considered:

- management's accounting policy for land and buildings valuation, and adherence to that policy;
- management's assessment that land and buildings have not undergone material movement since the last formal valuation date of 31 March 2018;
- management's assessment that service provision and floor space have not significantly altered during 2018/19 in a way that would impact on the MEA and alternate site valuation.

We corresponded with the District Valuer to understand the valuation basis.

We also considered evidence of regional valuation trends.

Our work provided the assurance we sought in respect of this key audit matter.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual

financial statement line items and disclosures, and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	Trust	Group
	£23.279m	£23.318m
Basis for determining materiality	Approximately 1.4% of operating expenses of continuing operations.	
Rationale for benchmark applied	Planned operating expenses of continuing operations was chosen as the appropriate benchmark for overall materiality as this is a key measure of financial performance for users of the financial statements.	
Performance materiality	£16.295m	£16.322m
Reporting threshold	£0.3m	£0.3m

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Accounting Officer made subjective judgements such as making assumptions on significant accounting estimates.

We gained an understanding of the legal and regulatory framework applicable to the Trust and Group and the sector in which they operate.

We considered the risk of acts by the Trust and Group which were contrary to the applicable laws and regulations including fraud. We designed our audit procedures to respond to those identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the National Health Service Act 2006.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Trust's and Group's accounting processes and controls and its environment and considered qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our tests included, but were not limited to:

- obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by irregularities including fraud or error;
- review of minutes of board meetings in the year; and
- enquiries of management.

As a result of our procedures, we did not identify any Key Audit Matters relating to irregularities, including fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under 'Key audit matters' within this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We are also required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust/Group is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust/Group to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole

are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2018/19; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Annual Governance Statement

We are required to report to you if, in our opinion:

- The Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2018/19; or
- The Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements

We have nothing to report in respect of these matters.

Reports to the Regulator and in the public interest

We are required to report to you if:

- We refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006 because we have a reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency: or
- We issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

The Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31st March 2019.

We have nothing to report in this respect.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by Schedule 10(1)(d) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31st March 2019.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

Use of the audit report

This report is made solely to the Council of Governors of Manchester University NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006.

Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the

Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Certificate

We certify that we have completed the audit of Manchester University NHS Foundation Trust and Manchester University NHS Foundation Trust Group in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Karen Murray

For and on behalf of Mazars LLP

One St Peter's Square
Manchester
M2 3DE

24th May 2019





Statement by
Sir Michael Deegan,
Group Chief Executive

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Manchester University NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that MFT is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to:

- Identify and prioritise the risks to the achievement of the policies, aims and objectives of MFT
- Evaluate the likelihood of those risks being realised and the impact should they be realised and
- Manage them efficiently, effectively and economically.

The system of internal control has been in place in Manchester University NHS Foundation Trust for the year ended 31st March 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust leadership plays a key role in implementing and monitoring the risk management process and the chart on page 49 of the full Annual Report shows the MFT governance structure.

The Group Chief Executive chairs the **Group Risk Management Committee** and actual risks scoring

15 or above are reported to the Committee. Risk reports are received from each responsible Director, Hospital/MCS CEO and Group Executive Director, with details of the controls in place and actions planned and completed against which assessment is made by the Committee.

This Committee provides the Board of Directors with an assurance that risks are well managed with the appropriate mitigation and plans in place. Reports demonstrate that the risk management reporting process includes all aspects of risk, clinical and non-clinical.

The **Audit Committee** monitors assurance processes and seeks assurance across all risks in order to provide independent assurance to the Board of Directors that risks have been properly identified and appropriate controls are in place.

The risk appetite is determined by the Board and monitored by the Audit Committee to ensure that the risks faced are consistent.

The Board has designated the Joint Group Medical Directors as the lead Executives and Chairmen of the **Quality and Safety Committee**. This Committee sets the strategic direction for quality and safety for MFT.

It is responsible for developing the organisational strategy for quality and safety in line with national/international evidence based practice and standards.

This Committee also ensures that MFT has the structures, systems and processes it needs in order to achieve its key clinical objectives, and that they are monitored and performance managed. A significant amount of work has been undertaken to develop clinical effectiveness indicators across all our Hospitals and Managed Clinical Services (MCS).

A Trust risk management training programme has been designed and delivered which undergoes an annual evaluation process. The risk management team includes a training post dedicated to risk management training.

The Trust has operational risk and safety meetings at all levels which review high level incidents alongside incident trends so that lessons can be learnt for the future. We have developed robust mechanisms for recording untoward events and learning from them.

As part of our Clinical Effectiveness Performance Framework, each Hospital and MCS records its activity and performance against the key clinical effectiveness indicators and produces a summary for discussion at their hospital/service review. Areas of good practice are collected on a corporate basis and shared throughout the organisation. MFT is also represented on a number of national and regional working groups.

The Trust has a well-established Quality and Performance Scrutiny Committee which provides assurance on the Trust's work on quality (Patient Safety & Patient Experience) and performance (all key performance measures excluding Workforce & Finance). The Committee is Chaired by a Non-Executive Director who identifies areas that require more detailed scrutiny, arising from national reports, Board Reports, the Board Assurance Report, patient feedback and public interest issues.

Examples of areas examined this year include:

- 'Never Events - Action Plans to Mitigate Risks'.
- 'Incident Reporting – A Review 12 Months Post-Merger'.
- 'MFT Outpatients Improvement Programme'.
- 'The Outcome of the Transcatheter Aortic Valve Replacement (TAVI) Review'.
- 'Lessons Learnt from the Review of the Wythenshawe & MRI Urgent Care Pathways'.
- 'Lessons Learnt following a Recent Paediatric Inquest'.

This ensures a level of detailed review, challenge and learning in areas of identified risk.

The Human Resources Scrutiny Committee reviews MFT's Human Resources Strategy and monitors the development and implementation of the key workforce deliverables. Examples of key areas of focus during 2018/19 include:

- 'Values & Behaviours – Challenging Poor Behaviour and Hate Crime'.
- 'Hospital/MCS Plans to achieve Appraisal Compliance Standards'.
- 'Staff Health & Wellbeing – Supporting Staff'.
- 'Management of Absenteeism within the Organisation'.
- 'GMC Survey and emerging themes and related action plans'.
- 'Workforce Disability' and 'Workforce Race Equality Standards'.
- 'Quarterly Reports from the Guardian of Safe Working Hours'.

The Board Assurance Framework outlines the key strategic aims of the Trust and associated risks with plans to achieve aims and mitigate risk. Key workstreams associated with this are also monitored via the HR Scrutiny committee for assurance.

The workforce and leadership section of the Board assurance report is reviewed by the Board on a monthly basis to monitor the key workforce metrics, such as attendance, vacancies, mandatory training

and appraisal compliance. Monthly performance monitoring is also undertaken as part of the Trust's Accountability Oversight Framework process, whereby Executive Directors review key workforce metrics and delivery plans for each Hospital/MCS site.

Safer staffing reports for nursing and midwifery are submitted to the Board during the year, in line with regulatory requirements.

In line with NHS Improvement guidance the 'Developing workforce safeguards' recommendations will be implemented in 2019/20, in order to support a consistent approach to workforce decision-making.

The Board of Directors also seeks assurance about the performance and risk management strategy of a key external partnership, the Manchester Local Care Organisation (MLCO), through the MLCO Scrutiny Committee. Examples of key areas of focus during 2018/19 include:

- 'The MLCO Governance Framework'.
- 'Mobilisation of integrated Neighbourhood Teams'.
- 'Quality, Safety & Assurance'.
- 'System Escalation – Progress'.
- 'Additionality of the Winter Resilience Plan to the wider system'.

The risk and control framework

A risk management process covering all risks has been developed throughout the organisation at all levels with key indicators being used to demonstrate performance. The whole system of risk management is continuously monitored and reviewed by management and the Board in order to learn and make improvements to the system.

The Trust's management structure has established accountability arrangements through a scheme of delegation covering both corporate and hospital/service arrangements. This is reflected in the corporate and Hospital/MCS work programmes/key priorities and the governance arrangements within the Trust.

The responsibilities of each Executive Director are detailed below:

Group Deputy Chief Executive

- Assumes responsibilities for the Group Chief Executive in his absence.
- Responsible for developing integrated care across acute, community and local authority boundaries with the City of Manchester.

Group Chief Nurse

- Responsible and accountable for leading professional nursing, patient experience and engagement.
- The Trust's Director of Infection Prevention and Control.
- Chairs the Group Infection Control Committee and Group Safeguarding Committee.
- Responsible for ensuring compliance with statutory requirements regarding safeguarding children and vulnerable adults.

Group Chief Finance Officer

- Responsible for the wide range of interrelated work programmes around finance, contracting, information and strategic planning.
- Responsible for developing and overseeing delivery of financial plans across the Trust for current and future financial years, ensuring these are integrated with operational and service delivery requirements.
- Holds regular meetings with local commissioners and with the North West Specialised Commissioning Team, maintaining dialogue across service delivery and planning issues including forward projections, significant developments within individual services and strategic service changes.
- Responsible for developing and delivering on any transactions which may be contemplated by the Board, which may extend the scope of the Trust's activities and responsibilities.
- The Senior Information Risk Officer for the Trust.

Joint Group Medical Directors

- Responsible for leading on patient safety and clinical effectiveness, research and innovation and medical education.
- Chair the Clinical Advisory Committee, the Quality & Safety Committee, the Research Governance Committee and the Informatics Strategy Board.
- Responsible for ensuring the Trust is compliant with the Human Tissue Act.
- The Responsible Officers for the Trust for the revalidation of doctors with the General Medical Council, and the Trust's Caldicott Guardians.

Group Director of Workforce & Organisational Development

- Provides strategic direction and leadership on a range of corporate functions to enable delivery of the highest quality of services to patients.
- Provides strategic advice to the Group Chief Executive and Board of Directors on all employment matters.
- Chairs the Workforce & Education Committee.
- Responsible for developing, implementing and monitoring a comprehensive Workforce Strategy ensuring that employee recruitment, retention, leadership, motivation and effectiveness are maximised.
- Responsible at Board level for effective internal and external communications ensuring at all times the appropriate positive projection of the Trust through the media.
- Responsible to the Board for its secretariat function, Governors and membership, to include support for its various meetings and internal processes.

Group Chief Operating Officer

- Responsible for the successful delivery of clinical operations in the Trust, playing an active role in the determination and implementation of corporate strategies and plans.
- Has responsibility for four key elements:
 - Operational leadership of all hospitals and services.
 - Performance management and delivery of all national and local targets.
 - Modernisation and process redesign of Trust clinical and business processes.
 - Business continuity management (including emergency planning).
- Provides effective management of the Trust on a day-to-day basis, ensuring the provision of appropriate, effective high quality patient-centered care, which meets the needs of patients and can be achieved within the revenues provided.
- Chairs the Hospital/MCS CEO Forum and the Trust Cancer Committee.
- Contributes to the development and delivery of the wider Trust agenda, including implementation of the Trust's strategic vision.

Group Executive Director of Strategy

- Responsible for all aspects of strategic planning and for providing a robust framework for the development of corporate and service strategy.
- Produces the Operational Plan submission to NHS Improvement and maintains the on-going compliance relationship NHSI, through monitoring submissions and exception reporting as required.
- Chairs the Service Strategy Committee.
- Manages many of the Trust's major stakeholder relationships and works closely with our hospital leadership teams to ensure appropriate strategic positioning to deliver our vision.
- Plays a pivotal role as a member of the Greater Manchester Health and Social Care Partnership and helps to shape the future governance arrangements linked to this historic agreement.

Our **Risk Management Strategy** provides us with a framework that identifies risk and analyses its impact for all hospitals and services for significant projects and for the organisation as a whole. The completion of Equality Impact Assessments is part of this process.

Any hazard identified is analysed against its severity and the likelihood of it occurring. This determines the overall risk ranking and ensures there is a common methodology across the organisation. The strategy clearly sets out the individual and corporate responsibilities for the management of risk within MFT.

Implementation of the strategy ensures the Board is informed about significant risks and is then able to communicate these effectively to external stakeholders.

The Risk Management Strategy is disseminated throughout MFT and to all local stakeholders and is reviewed every two years. There is increasing involvement of key stakeholders through mechanisms such as the Quality Reviews, the annual Clinical Audit and Risk Management Fair and Governors' learning events.

Each Hospital and MCS systematically identifies, evaluates, treats and monitors action on risk on a continuous basis. This work is then reported back through the local and corporate risk management and governance frameworks.

This also connects the significant risks (those appraised at level 15 or above on the risk framework) to the organisation objectives and assesses the impact of the risks.

The outcome of the local and corporate review of significant risk is communicated to the Group Risk Management Committee so that plans can be monitored. All Hospitals and MCS report on all categories of risk to both the Group Risk Management and Quality & Safety Committees.

The Group Risk Management Committee undertakes further evaluation of the risks presented and their action plans and updates the Assurance Framework so that at any given time the significant risks to the organisation are identified.

Risk Management and Assurance Framework processes are closely aligned and the Assurance Framework is dynamic and embedded in the organisation.

All identified risks within the organisation are captured in the Risk Register. This document also contains the detailed risk assessments and resulting action plans associated with the external assurance sources detailed under 'review of effectiveness'. The Board is therefore able to monitor progress against such action plans. Risk assessment is a fundamental management tool and forms part of the governance and decision making process at all levels of the organisation.

The Joint Group Medical Directors and Group Chief Nurse work closely on the alignment of patient safety and the patient experience. Clinical risk assessment is a key component of clinical governance and forms part of the Risk Register.

The Trust also has established arrangements to advise and engage with both the Manchester and Trafford Health & Wellbeing Overview and Scrutiny Committees when there are proposed service changes which may impact on the people who use our services. We endeavour to work closely with patients and the public to ensure that any changes minimise the impacts on patients and public stakeholders.

As a Foundation Trust, we also inform our Council of Governors of proposed changes including how any potential risks to patients will be minimised. The Group Chief Executive makes regular reports to the Governors on the position against all of the Trust risks scored at 15 or above. Progress on mitigation is Red/Amber/Green rated and shared with the Governors.

Overview of the organisation's major risks

The Trust identified a number of significant risks during 2018/19. These have been or are being addressed through robust monitoring at the bi-monthly Risk Management Committee, chaired by the Group Chief Executive. More detail on work to mitigate these risks can be found in the Performance Report on page 34 onwards of the full Annual Report.

Risk	Category	Status
Group delivery of the RTT 18 weeks standard and risk of 52+ week breaches	Clinical	Ongoing
Timely access to Emergency Services – meeting the 4 hour standard	Clinical	Ongoing
Lack of dedicated ambulance provision for Connect North West Neonatal	Clinical	Ongoing
SMH Obstetric capacity	Clinical	Ongoing
Safe and Secure Storage of Medicines	Clinical	Ongoing
Never events	Clinical	Re-introduced March 2019
Communication of diagnostic test and screening test results	Clinical	Ongoing
Trauma & Orthopaedic Services – failure to meet requirements highlighted by the Royal College of Surgeons review of governance systems and processes	Clinical	Ongoing
Delivery of the 6 week wait diagnostic target (for 15 tests).	Clinical	Ongoing
Adult Congenital Heart Services	Clinical	Ongoing
Timely access to cancer services - Delivery of the 62 day standard	Clinical	Ongoing
Paediatric Urgent and Emergency Care Capacity and Demand	Clinical	Ongoing
Risks relating to financial sustainability	Financial	Ongoing
C5447 - Regulatory Compliance Evidence	Organisational	Ongoing
Availability and Management of Patient Records on the Central site	Organisational	Ongoing
Cyber security	Organisational	Ongoing
Appraisal compliance	Organisational	Ongoing
Compliance with Building Regulations (Electrical Compliance and Fire Stopping)	Organisational	Ongoing
Critical Care Monitoring Station (RMCH)	Organisational	Downgraded
'EU Exit' No Deal	Organisational	New

Quality governance arrangements

Compliance with Care Quality Commission (CQC) registration was monitored through a number of Trust Committees but the main Committees are the Quality & Performance Scrutiny Committee and the Group Risk Management Committee. The Quality Report for 2018/19 describes the key elements of the Trust's quality governance arrangements.

MFT undertakes a programme of internal quality reviews, which are structured using both the core standards and key lines of enquiry. These reviews – along with the internal and clinical audit programmes, the ward accreditation programme and the hospital review process - all provide assurance on compliance with the CQC Standards of Care.

All Hospitals and MCS report risks via an electronic system and risks are escalated up to the Group Risk Management Committee above a score of 15. These risks are mapped against the key priorities on the Board Assurance Framework. This can be mapped to the CQC Standards.

The quality of performance information is subject to an annual audit which evaluates the key processes and controls for managing and reporting the indicators.

Care Quality Commission

MFT is required to register with the CQC and our current registration status is fully registered with no conditions.

The CQC has not taken enforcement action against the Trust during 2018/19, nor did MFT participate in any special reviews or investigations by the CQC. A planned CQC inspection of the Trust took place in autumn 2018, and the rating of 'Good' for MFT was awarded in March 2019.

Hospital/MCS Review Process

A review process has been established through which each Hospital/MCS is assigned an overall monthly Accountability Oversight Framework (AOF) Level which determines the level of recognition, intervention and support required. The AOF levels range from 1 (low risk) to 6 (high risk). A Hospital rated 1 will have earned autonomy; as the level of risk increases there is a corresponding and proportionate increase in the level of scrutiny, intervention and action that is required.

The frequency of performance review meetings between the Group Executive Directors and the Hospital/MCS Executive team ranges from six monthly (lowest risk) to monthly (highest risk). The Hospital/MCS AOF level is a composite score of performance

against the six domains: Safety, Patient Experience, Operational Excellence, Finance, Workforce & Leadership, and Strategy.

Each domain comprises a range of key performance indicators (KPIs) that align to regulatory and organisational requirements. In addition, any soft intelligence available to the Group Executives will be taken into consideration.

Assurance Framework

The Assurance Framework structures the evidence on which the Board of Directors depends to assure it is managing risks which could impact on MFT's key priorities.

Review of economy, efficiency and effectiveness of the use of resources

We invest significant time in improving systems and controls to deliver a more embedded range of monitoring and control processes.

The in-year use of resources is closely monitored by the Board of Directors and the following committees:

- Audit Committee.
- Remuneration Committee.
- Finance Scrutiny Committee.
- Quality & Performance Scrutiny Committee.
- Trust Risk Management Committee.
- Human Resources Scrutiny Committee.

MFT employs a number of approaches to ensure best value for money (VFM) in delivering its wide range of services. Benchmarking is used to provide assurance and to inform and guide service redesign. This leads to improvements in the quality of services and patient experience as well as financial performance.

The Trust is compliant with the principles and provisions of the NHS Foundation Trust Code of Governance following an annual review with Board members. The Board's statement on compliance is contained in detail on page 96 onwards of the full Annual Report.

We have also undertaken risk assessments and have a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). MFT ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

See pages 37-39 of the full Annual Report for more information about our sustainability plans.

Information governance

MFT has a comprehensive Information Governance (IG) framework of best practice policies and guidelines to ensure personal and corporate information is safeguarded, handled and managed in line with data protection legislation and NHS national standards and guidelines. The IG framework provides the tools to enable MFT staff to confidently handle the personal data that is necessary for their role effectively and efficiently.

The Group Information Governance Board (GIGB) is responsible for monitoring MFT compliance and progress against the Information Governance agenda, and the NHS Data Security and Protection Toolkit (DSPT).

The GIGB supports the Group Chief Executive as Accountable Officer of the Trust and the Executive Senior Information Risk Owner (ESIRO) via the Senior Information Risk Owner (SIRO) in providing assurance, through the Annual Governance Statement, that information risks are effectively managed and mitigated.

The GIGB formally reports to the Group Informatics Strategy Board as part of the information governance assurance process.

During 2018/19 MFT has:

- Reviewed its IG framework to ensure compliance with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).
- Embedded Data Protection Impact Assessments (DPIA) as part of the assessment process for sharing information with external NHS Trusts and other organisations.

- Continued with its IG programme to strengthen Information Governance practices within the hospitals and departments.
- Developed its Information Asset Register and associated data flows.
- Continued its service improvement in key IT infrastructure and raising the organisation's understanding through appropriate guidance, to reduce the incidence and impact of cyber risk.
- Submitted a Cyber Essentials plus action plan update to NHS Digital for ratification.
- Had an active role, contributing and supporting Information Governance initiatives, within Greater Manchester and nationally.

MFT completed the NHS Data Security and Protection (DSP) toolkit for 2018/19 and has met the standard for all assertions apart from one. We submitted an improvement plan for that one assertion, which has been reviewed and agreed by NHS Digital.

Information Governance breaches are managed in line with our incident management policy. Serious information governance breaches are also managed in line with the NHS Guide to the Notification of Data Security and Protection Incidents.

The table below shows a summary of all Information Governance incidents for the period 1st April 2018–31st March 2019.

Category	Breach Type	Total
A	Corruption or inability to recover electronic data	6
B	Disclosed in error	87
C	Lost in transit	0
D	Lost or stolen hardware	3
E	Lost or stolen paperwork	46
F	Non-secure disposal - hardware	1
G	Non-secure disposal - paperwork	7
H	Uploaded to website in error	3
I	Technical security failing (including hacking)	6
J	Unauthorised access/disclosure	24
K	Other	84

There was one incident in the above period at a level which required reporting to the Information Commissioner's Office (ICO). This incident has now been closed by the ICO.

The principal risks to compliance with the NHS foundation trust condition 4 (FT Governance)

The principal risks to compliance with the NHS FT Condition 4 are outlined below. Action taken by the Trust to mitigate these risks in the future is outlined elsewhere in the Annual Governance Statement.

• Compliance with Care Quality Commission registration requirements

MFT is fully compliant with the registration requirements of the Care Quality Commission.

• Compliance with equality, diversity and human rights legislation

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

• Compliance with the NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Annual Quality Report

In compliance with the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended), the Directors are required to prepare Quality Reports for each financial year. NHS Improvement (exercising powers conferred on Monitor) issues guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the NHS Foundation Trust Annual Reporting Manual. The MFT Quality Report for 2018/19 is on page 118 onwards of the full Annual Report.

Information on organisational performance is available to Board members and Governors through the online Board Assurance Framework system, in a clear Red, Amber, Green (RAG) rated graphical format. Each Executive Director has responsibility for a

range of indicators related to their areas of operation, and monitors progress on resolving any issues identified.

The data within the system feeds the monthly Board of Directors integrated Trust Board Assurance Report that comprises quality, patient safety and experience, operational performance, human resources and financial performance. The report provides oversight of trends and historical performance, individual Hospital and MCS performance, highlights areas of risk, factors impacting on performance and the actions being taken to bring performance back to the required standard.

In addition, the outputs from the monthly AOF process are reported to the Group Executive Team, Trust Quality and Performance Scrutiny Committee and Group Management Board. This enables the Quality and Performance Scrutiny Committee to use this intelligence alongside the Trust Board Assurance Report to identify any areas that require further scrutiny and assurance.

MFT uses a reporting and analysis system to support the management of services and performance. This system is available to all staff from Board to ward, who can view it on a daily basis and access up to date performance information. The system is used to support our internal governance structure and any performance reporting required by external organisations.

In addition, our clinical and operational staff use the information to produce bespoke reports which analyse patient activity and assist with planning and administration as well as performance management tracking. Using this information tool reinforces that performance management is part of everyone's job.

To support assurance of the accuracy of reported KPIs through the Trust internal audit programme and the external audit programme, a number of Board Assurance metrics are selected every year for testing. The outcomes of this testing are reported to the MFT Audit Committee and actions are put in place based on the recommendations to drive continuous improvement in data quality.

In addition, this is supplemented by further audits throughout the year, undertaken by the performance team and Hospitals, to provide assurance of maintaining and improving levels of data quality. Over the last three years there has been a particular focus on KPIs for the A&E four hour wait standard, Referral to Treatment 18 weeks, Cancer and Diagnostics.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within our Trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the content of the Quality Report included in this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, the Group Risk Management Committee, the Audit Committee, the Quality & Performance Scrutiny Committee, and the HR Scrutiny Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by other major sources of assurance such as:

- Internal Audit Reports
- External Audit Reports
- Clinical Audit Reports
- Patient Surveys
- Staff Survey
- Royal College accreditation(s)
- Health and Safety Executive Inspection Reports
- Care Quality Commission Intelligent Monitoring Standards
- PLACE assessments
- Senior Leadership Walk-rounds
- Clinical Pathology Accreditation
- Care Quality Commission - registration without conditions
- Equality and Diversity Reports
- General Medical Council Reports.

The Trust applies a robust process for maintaining and reviewing the effectiveness of the system of internal control. A number of key groups, committees and teams make a significant contribution to this process, including:

Board of Directors

The statutory body of the Trust is responsible for the strategic and operational management of the organisation and has overall accountability for the

risk management frameworks, systems and activities, including the effectiveness of internal controls.

The Terms of Reference and responsibilities of all Board Sub-Committees are reviewed regularly in order to strengthen their roles in governance and focus their work on providing assurances to the Board on all risks to the organisation's ability to meet its key priorities.

Audit Committee

The Audit Committee provides an independent contribution to the Board's overall process for ensuring that an effective internal control system is maintained and provides a cornerstone of good governance. The Audit Committee monitors the assurance processes of all other Board Committees (see also the Audit Committee report on pages 52-53 of the full Annual Report).

Internal Audit

Internal Audit provides an independent and objective opinion to the Accounting Officer, the Board and the Audit Committee, on the degree to which MFT's systems for risk management, control and governance support the achievement of the Trust's agreed key priorities. The Internal Audit team works to a risk based audit plan, agreed by the Audit Committee, and covering risk management, governance and internal control processes, both financial and non-financial, across the Trust. The work includes identifying and evaluating controls and testing their effectiveness, in accordance with Public Sector Internal Audit Standards.

A report is produced at the conclusion of each audit and, where scope for improvement is found, recommendations are made and appropriate action plans agreed with management. Reports are issued to and followed up with the responsible Executive Directors. The results of audit work are reported to the Audit Committee which plays a central role in performance managing the action plans to address the recommendations from audits. Internal audit reports are also made available to the external auditors, who may make use of them when planning their own work.

In addition to the planned programme of work, internal audit provide advice and assistance to senior management on control issues and other matters of concern. Internal Audit work also covers service delivery and performance, financial management and control, human resources, operational and other reviews.

Based on the work undertaken, including a review of the Board's risk and assurance arrangements, the Head of Internal Audit Opinion concluded in May 2019 that "significant assurance with minor improvements required" could be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

Clinical Audit

The Clinical Audit Department oversees the development and delivery of an annual Clinical Audit Plan. This plan includes mandatory national audits, locally agreed priority audits and monitoring audits in respect of external regulation and accreditation.

The calendar is presented to the Trust Audit Committee and provides assurance on both clinical outcomes and compliance with guidance such as that provided by the National Institute for Health & Care Excellence (NICE) and the National Confidential Enquiry into Patient Outcome and Death (NCEPOD).

The Trust registered 332 local clinical audits during 2018/19, which took place across all our Hospitals and Managed Clinical Services with their results disseminated and action taken in response.

Data Validation is undertaken through data quality checks, audits (internal and external), hospital scrutiny groups, variance checking, extensive daily reporting and analysis. These checks are reflected through the Data Quality dashboard.

Conclusion

All significant internal control issues have been identified in this statement as part of the Risk and Control Framework section.

The Board confirms that it is satisfied that, to the best of its knowledge and using its own processes and having regard to NHS Improvement's Quality Governance Framework (supported by Care Quality Commission information, our own information on serious incidents and patterns of complaints) MFT has effective arrangements for monitoring and continually improving the quality of healthcare provided to our patients.



Sir Michael Deegan CBE

Group Chief Executive

22nd May 2019

This summary document is only part of the Trust's annual report and accounts. You can obtain a copy of the full annual report and accounts by visiting our website at:

mft.nhs.uk/the-trust/reports-and-publications or by contacting the Trust Board Secretary on **0161 276 6262**.

For more information about our Trust, please visit

www.mft.nhs.uk



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